

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF
			Face Value	Disbursements	Amount	Amount
830855	8	Pumps and spare parts	65,298	70,607	5,936	5,936

(b) DB France

959. DB France made more than \$531,000 in illicit ASSF payments through a consultant in connection with nine of its ten Programme contracts.

960. DB France authorized, but did not pay, an additional \$35,000 in connection with a tenth sales contract.

961. DB France caused kickbacks to be paid on the following Programme contracts:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF	Inland Transportation Fee
			Face Value	Disbursements	Amount	Amount	Amount
801812	8	Gear boxes	95,023	91,237	8,638	8,294	
801815	8	Gear boxes	578,731	602,723	52,622	54,803	
802547	8	Spare parts	40,528	40,023	4,476	4,476	
830513	8	Pumps	438,897	484,944	39,895	39,896	
900555	9	Couplings	227,356	222,503	20,669	11,922	
900608	9	Spare parts	17,905	17,512	2,695	2,695	
901213	9	Mechanical equipment	1,900,248	2,227,444	172,750	202,495	2,400
1000164	10	Couplings	260,322	284,964	27,890	30,530	
1000248	10	Gear boxes	61,466	68,875	5,604	5,604	
1000322	10	Gear boxes	897,192	1,037,223	85,470	98,809	

37. The Volvo Defendants

962. The Volvo Defendants paid approximately \$6,206,331 in kickback payments to the Hussein Regime.

(a) Renault Trucks

963. Renault Trucks paid about \$150,000 in kickbacks.

964. Renault Trucks caused kickbacks to be paid on the following Programme contracts:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF
			Face Value	Disbursements	Amount	Amount
801188	8	Recovery truck	2,087,304	2,013,730	189,755	183,066
801190	8	Truck tractors	20,599,139	20,190,575	1,872,649	1,835,507
801191	8	Truck	4,887,525	4,682,714		
801192	8	Tipper truck	9,090,708	8,750,905	826,428	795,537
801283	8	Lorry/parts	496,835	423,464	45,167	38,497
801294	8	Fuel tanker truck/parts	6,904,288	6,510,436	627,663	591,858
801295	8	Lorry/parts	6,538,844	6,256,763	594,440	568,797
801501	8	Truck cranes w/spares	3,298,394	3,464,362	299,854	314,942
801502	8	Truck cranes w/spares	815,919	857,214	74,174	77,929
801905	8	Tanker/parts	622,755	670,257	56,617	60,935
801910	8	Garbage trucks/spare parts	793,658	776,425	72,149	70,582
802342	8	Tanker and spare parts	1,309,496	1,478,244	119,035	119,859
830591	8	Spare parts for tractors	476,603	547,755	43,327	43,328
900947	9	Projector	180,857	207,704	19,210	22,062
900948	9	Garbage truck/spare parts	303,686	362,356	30,962	36,943
900949	9	Cherry picker vehicles	496,149	651,457	51,436	67,537
930319	9	Spare parts for tractors	270,820	306,153	24,618	24,619
930506	9	Spare parts for vehicle; equipment	300,235	322,563	27,291	27,292
1000200	10	Truck tractors	15,897,523	15,934,097	1,445,229	1,448,554
1000465	10	Truck	2,849,098	3,247,559	259,009	295,233

(b) Renault A&S

965. Renault A&S paid about \$150,000 in kickbacks.

966. Renault A&S caused kickbacks to be paid on the following Programme contract:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF
			Face Value	Disbursements	Amount	Amount
900879	9	Tractor/spare parts	1,646,626	1,968,505	158,434	149,679

(c) Volvo Construction

967. Volvo Construction paid about \$317,000 in kickbacks.

968. Volvo Construction caused kickbacks to be paid on the following Programme contract:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF
			Face Value	Disbursements	Amount	Amount
901216	9	Wheel loader/parts	6,109,363	6,438,504	555,397	317,336

38. The Weir Group paid about \$4.5 million in kickbacks.

969. The Weir Group paid about \$4.5 million in illicit payments to the Hussein Regime.

970. The Weir Group caused kickbacks to be paid on at least the following Programme

contracts:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF
			Face Value	Disbursements	Amount	Amount
730541	7	Mather and platt centrifugal pump/accessories	1,171,007	1,171,007		
800972	8	Spare parts for pump sets	10,866,210	11,053,747	987,788	987,788
930195	9	Control and monitoring instruments for cluster manifolds	655,905	743,011	59,628	64,697
930196	9	S/p for main crude oil pump	389,936	436,793	35,449	36,040
930197	9	Spare parts	101,535	118,225	9,230	9,385
930219	9	Spare parts	3,224,782	3,709,264	319,594	322,229
1230248	12	Spare parts for pumps	2,295,116	-	208,637	208,637

39. Woodhouse paid at least \$593,000 in kickbacks.

971. Woodhouse paid at least \$593,000 in illicit kickbacks to sell more than \$15 million in oil equipment under the OFFP.

972. Woodhouse caused kickbacks to be paid on the following Programme contracts:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF	Inland Transp. Fee
			Face Value	Disbursements	Amount	Amount	Amount
830122	8	spares for drilling and workover rigs	1,817,324	1,872,122	165,195	165,195	
830123	8	equipment for drilling and workover rigs	1,572,018	1,632,098	147,897	134,331	39000
830339	8	cement additives	727,644	-	66,145	50,672	
830340	8	equipment and accessories for oil well cementing laboratories	13,852	13,554	1,259	1,260	
830341	8	acid additives	185,056	212,769	16,822	16,823	2700
830342	8	drilling fluid materials and cement additive	87,311	100,386	7,937	7,937	900
830482	8	lighting fittings	89,825	97,268	8,164	8,165	

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF	Inland Transp. Fee
			Face Value	Disbursements	Amount	Amount	Amount
930259	9	spare parts and equipment	1,053,775	1,194,630	95,798	94,015	600
930385	9	cement and additives	382,881	409,946	34,805	34,805	
930583	9	drilling bits and nozzles	710,095	755,044	64,549	64,549	
1030280	10	Tubing	76,652	86,821	6,968	6,967	600
1230052	12	spare parts and accessories	55,248	-	5,022	1,371	

40. *York paid about \$650,000 in kickbacks.*

973. York paid approximately \$647,110 in illicit kickbacks in return for the award of OFFP contracts worth approximately \$7 million.

974. York caused kickbacks to be paid on the following Programme contracts:

Contract	Phase	Goods Category	Contract		Levied ASSF	Paid ASSF
			Face Value	Disbursements	Amount	Amount
801559	8	Compressor	1,236,379	1,209,017	112,398	109,911
801608	8	Spare parts	1,669,457	1,608,940	151,769	146,267
900834	9	Air conditioner	464,488	447,749	42,221	32,482
900835	9	Spare parts	231,522	248,922	22,989	22,277
901296	9	Air cooled package units with spares	40,279	46,731	4,040	3,923
1100131	11	Air conditioners/spare parts	3,232,323	3,655,054	293,824	332,250

VII. Wrongful Actions of the Escrow Bank and its Affiliates

975. In 1996, the United Nations selected BNP, a French bank, to serve as the Escrow Bank under the OFFP.

A. The Banking Agreement

976. On September 12, 1996, the UN and BNP executed an Agreement for Banking Services, setting forth BNP's role in the Programme (the "Banking Agreement").

1. *The Banking Agreement sets forth BNP's agreement to participate in the Programme.*

977. The creation and function of the Escrow Account was an integral part of the Programme.

978. BNP agreed to fulfill that integral role: “The Bank shall open the account provided for in SCR 986 on behalf of the United Nations for the receipt of funds and for the making of payments pursuant to SCR 986.”

979. The Banking Agreement obligated BNP to do, among other things, the following:

- (1) establish and manage the Escrow Account;
- (2) issue letters of credit for the purchase of humanitarian goods under the Programme;
- (3) confirm letters of credit issued by banks retained by buyers of oil under the Programme, and
- (4) conform its conduct to Resolution 986, the MOU, and the rules and procedures for review and approval of transactions under the Programme.

BNP's Chief Executive Officer signed the Banking Agreement.

980. The Banking Agreement was a binding agreement and part of a humanitarian relief program intended to benefit the Republic of Iraq and the Iraqi people. Indeed, the Agreement's core purpose was to protect the interests of the Republic of Iraq and the Iraqi people from the corrupt and wrongful intentions of the Hussein Regime.

981. Over the course of the Programme, BNPNY confirmed all of the letters of credit for the \$64.2 billion in oil purchases under the Programme, the proceeds of which were deposited into the Escrow Account, and issued all of the letters of credit for the purchase of \$34.5 billion in humanitarian goods from the Escrow Account.

2. *The Banking Agreement obligated BNP to enforce all Programme rules.*

982. The Banking Agreement called for far more than the provision of standard banking services. Due to BNP's central role in the Programme and the protection of the Iraq Sanctions Program, the Banking Agreement placed specific and direct duties on BNP to enforce and monitor compliance of all Programme rules.

983. The Banking Agreement begins by noting that "it is essential to the United Nations that the account and the funds and assets therein, and all connections, data and information relating thereto, be secure from misuse and from unauthorized access, use, tampering or intrusion and that the Services rendered in connection with such accounts, funds, assets and transactions be reliable and secure."

984. BNP expressly promised to work toward that end: "The Bank shall refrain from any action which is inconsistent with the terms and conditions of this Agreement, whether express or implied, or which it knows or has reason to know may adversely affect the United Nations, and shall fulfill its commitments with the fullest regard for its undertakings in this Agreement."

985. Also: "The Bank shall administer the United Nations Iraq Account and perform the Services in full conformity with the terms and conditions of this Agreement."

986. The Banking Agreement also stated: "The procedures and requirements set forth in SCR 986, the Memorandum of Understanding and the 661 Committee Procedures constitute essential and fundamental terms and conditions of this Agreement."

3. *BNP agreed to ensure that the Escrow Account would be managed according to all Programme rules.*

987. The Bank had specific and direct duties not to allow actions in contravention of the Programme's goals.

988. In fact, BNP expressly guaranteed: "The proceeds of the sale of Iraq's petroleum and petroleum products shall not be diverted from the purposes laid down in SCR 986."

989. Any transfers by BNP of funds in the Escrow Account made in violation of Programme rules was expressly *ultra vires*: “The Bank shall have no power or authority to pay, transfer, assign, hypothecate, negotiate, pledge or otherwise dispose of or deliver any funds or other assets from time to time held by the Bank pursuant to this Agreement, in the United Nations Iraq Account or otherwise, to any person or entity, whether Governmental or otherwise, except in strict accordance with the express terms and conditions of this Agreement.”

990. BNP promised particularly not to take any instructions from any person “in or acting on behalf of the Government of Iraq, or representing persons or entities in Iraq.”

991. BNP assured the compliance of its employees as well: “The Bank shall be responsible for the professional and technical competence of its employees and will select, for work under this Agreement, reliable individuals who will perform effectively in the implementation of this Agreement, and conform to a high standard of moral and ethical conduct.”

992. Finally, BNP agreed to hold the Escrow Account harmless from any wrongful acts, including its negligence or any transfers made in violation of the Programme rules: “In addition to and without limiting the foregoing, the Bank shall be liable for loss of or damages to funds or other property or assets held by it in connection with the performance of this Agreement, howsoever caused by any breach of or failure to perform this Agreement or any negligence or willful misconduct of the Bank, its employees, agents, servants or subcontractors, including but not limited to theft, misappropriation, fraud or misfeasance.”

4. *BNP’s US license to deal with assets of a State Sponsor of Terrorism also restricted its ability to act outside Programme guidelines.*

993. BNP’s conduct was further restricted by the provisions of its license to operate issued by the United States Department of Treasury’s OFAC.

994. BNP needed an OFAC license, because Iraq had been officially listed as a State Sponsor of Terrorism. As a result, during the period of the Programme, United States law required

any person or entity seeking to transfer Iraqi assets to obtain authorization to do so from OFAC, 31 C.F.R. § 575.201(a); 31 C.F.R. § 575.801 (licensing procedure).

995. Since the funds in the Escrow Account were Iraqi assets held in the United States, any transfer of them required an OFAC license.

996. OFAC issued a license to BNP (the “OFAC License”), permitting BNP to, among other things, open, maintain, and administer the Escrow Account. The OFAC License required BNP to comply with the Iraq Sanctions Program, the Banking Agreement, Resolution 986, the MOU, and other relevant United Nations Security Council Resolutions or guidance.

997. The OFAC License limited BNP’s authority to make payments from the Escrow Account to payments made in conformity with the Programme. In addition, the OFAC License required all parties to the OFAC License to comply with all regulations, rulings, orders and instructions issued by the Secretary of the Treasury pursuant to section 203 of the International Emergency Economic Powers Act (“IEEPA”), 50 U.S.C. §§ 1701-1706, and section 5 of the United Nations Participation Act, 22 U.S.C. § 287c (the “UNPA”).

998. The OFAC License was subject to the terms of Executive Order Nos. 12722 and 12724, and the Sanctions Regulations.

999. Unauthorized transfers of Iraqi assets were null and void. 31 C.F.R. § 575.202.

1000. Therefore, transfers made in violation of Programme rules were void.

1001. Since the Banking Agreement required BNP to indemnify against losses to the Escrow Account from violations of the Agreement, which included Programme rules, BNP is obliged to return improperly transferred funds to the Escrow Account.

5. The Banking Agreement required BNP to maintain transparency on all Programme transactions.

1002. The Banking Agreement required BNP to comply with Resolution 986 and the other UN policies and regulations governing the OFFP.

1003. In particular, BNP was required to maintain transparency of the transactions in which it participated and to provide the UN overseers with “full transaction details.”

1004. BNP agreed that it would issue LOCs only “on behalf of its customers who are approved purchasers of Iraqi petroleum and petroleum products” and that it would not “sell, assign or transfer any LOC to any person or entity.”

1005. Resolution 986, incorporated into the Banking Agreement, required in part: “Approval by the Committee established by resolution 661 (1990), in order to ensure the transparency of each transaction and its conformity with the other provisions of this resolution . . . , including details of the purchase price at fair market value”

1006. Pursuant to the MOU, also incorporated into the Banking Agreement, the OFFP allowed for the purchase of “medicine, health supplies, foodstuffs, and material supplies for essential civilian needs of the Iraqi population throughout the country,” but required that such purchases “follow normal commercial practice and be on the basis of the relevant resolutions of the Security Council and procedures of the 661 Committee.” MOU at ¶19. For a sales contract to be approved, the contracting party was required to “submit all relevant documentation, including contracts, for all goods to be exported under the Resolution to the 661 Committee. . . .” MOU at ¶22.

1007. The 661 Committee procedures mirrored the MOU requirements: an applicant was to provide “all relevant documentation, including the concluded contractual arrangements.” Procedures Section III, at ¶30.

1008. Thus, BNP had the express contractual duty to disclose all information in its possession to the UN.

1009. BNP intentionally failed in that duty.

B. Issuing of Letters of Credit for Oil Purchasers – the Conflict of Interest

1010. In addition to confirming letters of credit for humanitarian purchases, the Banking Agreement also allowed BNP to issue letters of credit on behalf of the purchasers of oil who had to secure payment for the purchase.

1011. BNP availed itself of this opportunity and ultimately issued approximately 70% of all letters of credit for oil transactions during the course of the OFFP, which equated to the issuance of \$45.7 billion in letters of credit to oil purchasers.

1012. BNP issued the following LOCs:

BNP's Letter of Credit Issuance by Branch, Subsidiary, or Affiliate

BNP by City	Number of L/Cs	Value of L/Cs
Geneva	1,224	\$25,897,061,250
Paris	495	\$9,716,040,610
London	172	\$3,507,013,659
Milan	60	\$856,101,638
Hong Kong	52	\$1,157,795,138
Basel	36	\$727,568,066
Other (13 branches)	195	\$3,905,122,639
Total BNP	2,234	\$45,766,703,001
Total Programme	3,120	\$64,181,293,181
% of BNP to Total Programme	71.6%	71.3%

1013. BNP earned an estimated \$30 million for issuing these letters of credit to oil purchasers.

1014. More important than the \$30 million, however, was the opportunity for BNP to create and to solidify business relationships with the oil purchasers, who were generally large companies. Those business relationships were far more valuable than the fees BNP could earn by doing its job under the Banking Agreement.

1015. BNP's financial opportunities from issuing letters of credit to oil purchasers created the real and substantial possibility of a conflict of interest between BNP's duties as holder and manager of the Escrow Account and its duties to its other customers, the oil purchasers.

1016. Unfortunately for the Iraqi people, the conflicts arose, and, like the other Defendants, BNP chose money over its duties.

C. BNP's Entry into the Conspiracy to Withhold Information from the UN

1017. In many cases, oil purchases under the Programme were made through intermediaries and financed by larger, more established companies. This was done for a variety of reasons, including (a) that the holder of the right to buy oil did not have the credit to finance the transaction and (b) to hide the payment of the illegal surcharges, or, in some cases, both.

1018. Intermediaries were also an integral part of the scheme to use oil allocations as a means of rewarding allies of the Hussein Regime for their support.

1019. The mere fact that an intermediary was involved in the oil transactions was a material fact, because the presence of an intermediary necessarily means that the Programme was not getting full market value (the intermediary is getting a part of the gain). For this reason, most large sellers of oil deal exclusively with end users.

1020. The use of intermediaries in many cases also violated the standard terms of the oil purchasing contracts, which prohibited assignments without approval of the 661 Committee.

1021. BNP's contract also prohibited the issuance of LOCs to entities that were not approved purchasers under the Programme.

1022. To further the interests of its commercial customers and therefore its own commercial interests, BNP agreed with many of its customers to hide the fact that they were financing the purchase of oil under the Programme by others.

1023. BNP's cooperation with the Oil Purchasing Defendants to hide material information from the UN was a direct breach of UN regulations governing the Programme and the Banking Agreement.

1024. BNP knew from the information it received that oil purchasers were paying a substantial premium over the OSP. BNP did not forward that material information to the 661 Committee.

1025. For example, in May 2001, BNP Geneva agreed with Vitol to conceal Vitol's participation in a purchase nominally made by Al-Rasheed International Cooperation. So, BNP Geneva failed to disclose Vitol's involvement to the UN and to BNP.

1026. In 2001, BNP agreed with Glencore International AG ("Glencore") to hide Glencore's participation in a transaction nominally involving the Council for Trade and Economic Cooperation with Middle East and North Africa Countries ("ACTEC"), which had received an oil allocation jointly with "Russia – Communist Party." Glencore wrote to BNP: "We repeat that Glencore International AG's name must not appear on any correspondence sent to third parties We remind you that there must be absolutely no mention of the name Glencore International AG."

1027. BNP also agreed with Glencore to include a term in the LOC issued in the name of ACTEC that the Letter of Credit was not assignable and not transferrable. This condition was required by the UN regulations. BNP, however, knew Glencore's concealed participation was essentially a transfer of the letter of credit, and therefore, that the regulations and their purposes were being violated.

1028. The ACTEC/Glencore transaction, alone, accounted for more than \$1.1 million in illicit surcharges paid to the Hussein Regime and diverted from humanitarian aid.

1029. In February 2001, the Hussein Regime granted a concession to lift two million barrels of Iraqi oil to Bulf Drilling and Oil Services ("Bulf").

1030. Bulf, through an agent, turned to Texaco Inc. (now Chevron, so hereinafter referred to as Chevron) to finance the purchase.

1031. In March 2001, Chevron requested that BNP open a line of credit for the purchase of one million barrels of oil. The letter of credit, however, was to be in the name of Bulf, despite the fact that Chevron had been granted the full authority to move and dispose of the oil.

1032. This transfer of authority to Chevron violated the provisions of Programme's regulations, which prohibited transfers of oil allocations absent UN approval.

1033. Despite its direct duties to prevent such violations, BNP opened two letters of credit for Chevron, in March and April 2001. In both cases, Chevron requested that BNP issue the letters of credit in Bulf's name alone, further violating UN regulations and the Banking Agreement.

1034. BNP and Chevron knew those letters of credit were being forwarded to the United Nations for approval and knew those letters of credit were materially misleading, were not commercially reasonable, and violated UN regulations.

1035. Neither BNP nor Chevron informed the United Nations of Chevron's role.

1036. From February 8, 2001 to November 25, 2001, these transactions involved the payment of \$490,790 in illicit surcharges, reducing the humanitarian assistance to the Iraqi people.

1037. During these and similar transactions, BNP knew misleading disclosures were being made to the UN to obtain approvals for the transaction, but agreed to participate in the violation.

1038. BNP's failures to disclose material information to the UN were not limited to oil sales under the Programme. A Congressional Hearing reports that BNP admits that in at least 403 instances BNP made payments from the UN Escrow Account to entities other than the named beneficiaries of the LOCs. In other words, BNP made payments of Escrow funds without proper authorization from the United Nations.

1039. Moreover, BNP's own disclosures to the United Nations were knowingly false and misleading; they failed to disclose the real parties in interest. BNP made those disclosures by fax, telephone, and email.

D. Breach of the Banking Agreement

1040. BNP breached the Banking Agreement by, among other things, concealing material information from its disclosures to the UN, including the actual purchasers of oil and that intermediaries were profiting from the humanitarian Programme.

1041. BNP's agreement to keep material information from the UN violated its contractual duties.

1042. As concluded in the UN Report, "the failure to disclose the name of the third-party purchasers of oil resulted in a lack of transparency between BNP offices, as well as between BNP and the United Nations. This was contrary to the obligations the United Nations imposed on the Bank by the Banking Agreement."

1043. BNP also failed to fulfill the procedural requirements of its contracts. For example, according to a Congressional Hearing Report, in 2000 and 2001, "BNP auditors reported that the bank's operating procedures were out of date as of January 1997, soon after the program began and that the flow of paperwork, according to these audits, was even at times irrational."

1044. BNP's operating procedures were thus insufficient well before the kickback scheme began.

1045. The Republic of Iraq and the Iraqi people were third party beneficiaries of the Banking Agreement. The Banking Agreement and the incorporated Programme rules were directly intended to benefit and to protect the Republic of Iraq and the Iraqi people from the corrupt and illegal intentions of the Hussein Regime and to ensure that all humanitarian funds went to their intended beneficiaries (the Iraqi people).

1046. The entire purpose of the Escrow Account and the role of BNP was to protect the plaintiffs here. When BNP failed in that role, it became liable for the damage to the Iraqi people and nation.

1047. Indeed, BNP agreed to hold the Escrow Account harmless from any of its violations, and the Escrow Account is property of the nation.

1048. As part of the agreement to indemnify the Escrow Account, BNP is liable to return all funds transferred from the Escrow Account in violation of the Programme or BNP's OFAC License. Transfers made in violation of Programme rules were *ultra vires* under the Banking Agreement and void under United States law. BNP should be required to refund all payments made outside the Programme rules to the Escrow Account.

1049. At least the following surcharge payments were made through BNP:

Examples of Surcharges that Flowed through BNP

Company Name	BNP Branch or Affiliate	Date of Surcharge Payment	Recipient	USD Amount	Euro Amount
Ben Hur (affiliate of African Middle East Petroleum)	UEB Geneva	October 17, 2001	SOMO controlled account, Jordan National Bank, Amman		€177,978.00
Glasford Shipping Limited	BNP Hong Kong	February 21, 2001	SOMO controlled account, Fransabank, Beirut	\$227,358.00	
Glasford Shipping Limited	BNP Hong Kong	November 30, 2001	SOMO controlled account, Fransabank, Beirut	\$1,777,970.40	
Glasford Shipping Limited	BNP Hong Kong	June 6, 2002	SOMO controlled account, Fransabank, Beirut		€1,235,370.61
Italtech	UEB Geneva	April 19, 2001	Al-Wasel and Babel, Abu Dhabi Commercial Bank		€1,531,943.00
Italtech	UEB Geneva	April 23, 2001	Al-Wasel and Babel, Abu Dhabi Commercial Bank		€2,258,341.00
Italtech	UEB Geneva	April 30, 2001	Al-Wasel and Babel, Abu Dhabi Commercial Bank		€1,717,518.00
Italtech	UEB Geneva	May 3, 2000	Mohammed Ibrahim, Arab Bank, Geneva	\$200,000.00	
Taurus (Identity masked by UEB Geneva)	UEB Geneva	September 20, 2000	SOMO controlled account, Fransabank, Beirut	\$230,220.90	
Taurus (Identity masked by UEB Geneva)	UEB Geneva	October 16, 2000	SOMO controlled account, Fransabank, Beirut	\$130,000.00	

Taurus (Identity masked by UEB Geneva)	UEB Geneva	October 25, 2000	SOMO controlled account, Fransabank, Beirut	\$160,000.00
Taurus	UEB Geneva	October 26, 2000	SOMO controlled account, Fransabank, Beirut	\$200,000.00
Scandinavian T. Ltd.	UEB Geneva	October 20, 2000	SOMO controlled account, Fransabank, Beirut	\$100,000.00
Scandinavian T. Ltd.	UEB Geneva	October 24, 2000	SOMO controlled account, Fransabank, Beirut	\$100,000.00
Scandinavian T. Ltd.	UEB Geneva	November 6, 2000	SOMO controlled account, Fransabank, Beirut	\$100,000.00
Total				\$3,225,549.30 €6,921,150.61

E. BNP's Participation in the Illicit Surcharges

1050. BNP was involved in the transfer of approximately \$10 million in illicit surcharges paid to the Hussein Regime.

1051. BNP failed to review those transactions adequately and either knew or should have known the transfers were wrongful.

F. BNP's Breach of its Fiduciary Duties

1052. As holder and manager of the Escrow Account and pursuant to the terms of the Banking Agreement, BNP owed fiduciary duties to the Republic of Iraq and the Iraqi people.

1053. BNP was not merely holding funds; it had agreed to protect those funds from unauthorized transactions in violation of Programme rules, all of which focused on ensuring that Programme funds were not diverted from their humanitarian purposes.

1054. BNP also owed fiduciary duties to the United Nations. The Republic of Iraq and the Iraqi people were third party beneficiaries of the duties owed the United Nations, because the duties were created by a binding contract expressly intended to benefit directly and principally the Republic of Iraq and the Iraqi people.

1055. As described above, BNP breached those duties when it allowed its conflicts of interest to subvert its duties to the Republic of Iraq and the Iraqi people and when it placed the aims, including the illicit aims, of its commercial customers over those of the Republic of Iraq and to the Iraqi people.

1056. As manager of the UN Escrow Account, BNP had the fiduciary duty to disclose all material information in its possession to the United Nations. This duty included the obligation to disclose information about any known fraud or other illicit conduct being committed in relation to the Programme.

1057. In brief, BNP had the duty to communicate to the UN all knowledge acquired in the course of its agency with respect to material facts that might have affected the UN's decision as to any transaction under the Programme.

1058. BNP knew the UN and, to an even greater extent, the Iraqi people were relying on BNP's protection from illicit conduct of the Hussein Regime.

1059. BNP wholly failed to fulfill its duty to disclose. In particular, BNP's agreements with its commercial customers to keep information from the UN violated BNP's disclosure duties. The other BNP Defendants aided and participated in those breaches.

1060. BNP has denied that it owed any fiduciary duties to the Republic of Iraq or the Iraqi people.

1061. Until the publishing of the UN Report in October 2005, the Republic of Iraq and the Iraqi people had no way of knowing that BNP rejected its fiduciary duties under the Banking Agreement and that it had breached its fiduciary duties.

G. BNP's Participation in the Conspiracy to Corrupt the Programme

1062. BNP's actions were not mere breaches of contract or negligence in its oversight responsibilities.

1063. BNP actively joined and supported the conspiracy by agreeing to hide the participation of oil financiers, by agreeing to hide the violations of the end-user requirements, and by failing to inform the UN of all of the Programme violations known to BNP. If BNP had done so, the conspiracy would have been curtailed, if not stopped. But BNP, like the other Defendants, chose financial gain over the dictates of its corporate conscience, its contractual obligations, its fiduciary duties, and the law.

H. BNP's Earnings – More than \$200 million

1064. BNP earned an estimated \$173 million in fees for its services pursuant to the Banking Agreement.

1065. BNP earned an additional estimated \$30 million for providing LOCs to oil purchasers.

1066. BNP's earnings from the relationships it forged by allowing oil purchasers to corrupt the Programme rules are unknown at this time.

VIII. Conspiracy and Interrelation Among the Defendants

A. The Defendants' Participation in the Programme

1067. All of the Defendants voluntarily agreed to participate in the Programme.

1068. All of the Defendants voluntarily agreed to abide by all Programme rules, including the requirements of Security Council Resolution 986, the MOU, and the procedures established by the 661 Committee and the OIP.

1069. The Defendants' roles in the Programme were integral to the Programme's operations. Without oil sales, humanitarian purchases, and an Escrow Account, the Programme would have collapsed.

1070. The Defendants' roles were also integral to the corruption of the Programme.

1071. If the Oil Purchasing Defendants had not agreed to subvert the Programme by paying surcharges and hiding the extensive use of unproductive middlemen, the corruption of the oil side of the Programme would have been impossible.

1072. If BNP had not agreed with the Oil Purchasing Defendants to hide the use of middlemen from the UN, the same would have been true.

1073. If the Vendor Defendants had not agreed to pay kickbacks, the corruption of the purchasing side of the Programme would have been impossible.

B. The Conspiracy Among the Defendants and the Hussein Regime

1074. The Defendants were informed by the Hussein Regime that the illicit payments were a requirement of doing business with the Regime under the Programme.

1075. The Defendants were therefore put to a stark choice: agree to enter into an illegal and fraudulent conspiracy to divert humanitarian funds from the UN Escrow Account (and thus the Iraqi people) or forego the opportunity to profit from sales under the Programme.

1076. All of the Defendants chose to join the conspiracy.

1077. The conspiracy ended only when forces outside the Defendants' control caused it to stop, chiefly the invasion of Iraq and the ouster of the Hussein Regime.

1. The Oil Purchasing and Vendor Defendants agreed to join the conspiracy.

1078. The Oil Purchasing and Vendor Defendants entered into express agreements with the Hussein Regime to corrupt the Programme and undermine the Iraq Sanctions Program.

1079. The Oil Purchasing Defendants agreed to make and made millions of dollars in direct financial transfers to the Hussein Regime in the form of surcharge payments. Those payments were in direct violation of Programme rules.

1080. The Vendor Defendants agreed to make and made millions of dollars in direct financial transfers to the Hussein Regime in the form of transportation and ASSF payments. Those payments too were in direct violation of Programme rules.

2. *BNP agreed to join the conspiracy.*

1081. BNP also agreed to join the conspiracy, although, based on current information, not directly with the Hussein Regime.

1082. BNP expressly agreed to hide the participation of middlemen in oil transactions from the UN and the 661 Committee.

1083. BNP agreed to those direct violations of Programme rules knowing from official 661 Committee notices that there were existing concerns that the Hussein Regime was siphoning off proceeds from oil sales through surcharges.

1084. Knowing that the 661 Committee was concerned with corruption of the Programme, BNP nonetheless chose to agree to facilitate that corruption by aiding the Oil Purchasing Defendants and other Programme purchasers in keeping relevant and material information from the Programme overseers – the 661 Committee and the OIP.

3. *The Defendants understood the scope of the conspiracy.*

1085. Since the Oil Purchasing and Vendor Defendants knew the surcharges and kickback fees were a necessary part of gaining the Hussein Regime's permission to participate in the Programme, they also had to understand that the scope of the conspiracy went beyond their individual circumstance and probably encompassed all aspects of the Programme. In other words, although the Oil Purchasing and Vendor Defendants might not have known the entire scope of the conspiracy, they knew they were assisting (for profit) in the corruption of a humanitarian program that was intended to benefit the Iraqi people and that the conspiracy was larger than their individual participation.

1086. BNP also had strong indications that the scope of the corruption of the Programme was larger than its participation. BNP had been informed and expressly acknowledged that “it is essential to the United Nations that the account and the funds and assets therein ... be secure from misuse and from unauthorized access, use, tampering or intrusion and that the Services rendered in connection with such accounts, funds, assets and transactions be reliable and secure.”

1087. BNP had also been informed that there were rumors that funds were being transferred directly to the Hussein Regime.

1088. BNP nonetheless agreed to hide material information from the UN.

1089. BNP knew or was consciously indifferent to the fact that the only reason to hide such information from the UN was to also hide some illicit purpose.

1090. The Defendants’ knowledge is also demonstrated by the efforts made to disguise the payments, including the use of accounts in the names of individuals (usually an official of the Hussein Regime appointed by Saddam Hussein) and front companies and the misleading descriptions of the payments in the contracts presented for UN approval. If the payments had not been illicit, these subterfuges would not have been necessary.

1091. The Defendants knew or were reckless in not knowing that the conspiracy encompassed all aspects of the Programme.

1092. At a minimum, the Defendants who paid kickbacks knew of the conspiracy to extract those payments, and the Defendants who paid surcharges and BNP knew of that conspiracy.

4. *The Defendants also entered into separate conspiracies.*

1093. BNP and Chevron conspired to conceal Chevron’s participation in the surcharge scheme.

1094. BNP and Vitol conspired to conceal Vitol’s participation in the scheme.

1095. The individual defendant groups (e.g., the Volvo Defendants) conspired together and with other affiliated companies within their respective organizations.

5. *The Defendants are responsible for their alter egos.*

1096. A number of Defendants utilized the purported corporate separateness of their affiliates and subsidiaries to justify and perpetuate a fraud on the UN, to evade United States laws and to violate Programme rules. The BNP Defendants also used their subsidiaries and affiliates to breach their fiduciary duties.

1097. The use of technical distinctions to avoid fiduciary duties violates equity, and therefore, such Defendants should be considered as one entity with their affiliates and subsidiaries that participated in their wrongful conduct and their corporate separateness ignored.

1098. The Defendants that utilized the purported corporate separateness of their subsidiaries and affiliates to evade United States laws and Programme rules and to commit fraud include: (1) the ABB Defendants, (2) the AGCO Defendants, (3) the Akzo Nobel Defendants, (4) the B. Braun Defendants, (5) Boston Scientific S.A. (with its US parent); (6) the BNP Defendants, (7) Chalmers (with Bayoil), (8) Dow AgroSciences (with its US parent), (9) Eastman Kodak S.A., (10) Eli-Lilly Export S.A. (with its US parent), (11) the Evapco Defendants, (12) FiatAvio (with its parents), (13) the Flowserve Defendants, (14) the GSK Defendants, (15) the Ingersoll-Rand Defendants, (16) the Johnson & Johnson Defendants, (17) the Liebherr Defendants, (18) the Merck Defendants, (19) Pauwels International N.V., (20) the Roche Defendants, (21) the Siemens Defendants, (22) Solar Turbines Europe (with its US parent), (23) St. Jude Medical Export GmbH (with its US parent), (24) the Sulzer Defendants, (25) the Textron Defendants, (26) the Volvo Defendants, (27) the Weir Group, (28) Woodhouse, (29) Wyatt (with at least Coastal, Mednafta, and Nafta), and (30) York (with its US parent).

IX. Effect of the Defendants' Conduct

1099. The conspiracy to corrupt the Programme had serious consequences for the Republic of Iraq and the Iraqi people.

A. Financial Losses to the Escrow Account – at least \$10 billion

1100. The UN Escrow Account was funded by the sale of Iraqi oil, owned by the Iraqi people according to the Iraqi Constitution. The Defendants' conduct deprived the Iraqi people of the value of that oil and the food and medicine the sale of the oil should have provided.

1. Proceeds from the sale of Iraq's oil were diverted from the Programme.

1101. Over the course of the OFFP, the Hussein Regime directly diverted approximately \$228.8 million through the oil surcharges. At least that entire sum was diverted from the Escrow Account and the Iraqi people.

1102. The actual damages caused by the corruption of the oil side of the OFFP was much higher than the amount of the surcharges themselves. The Surcharge Scheme required that the OSP be kept artificially low so that (a) the surcharges could be paid and (b) the Defendants and the necessary middlemen could reap undue profits.

1103. As found by the Volcker Committee, under-pricing of Iraqi oil ranged from \$4 per barrel in April 2001 to as little as \$1-2 per barrel. Since oil prices were never as much as \$35 per barrel during the period, the under-pricing was frequently more than 10%.

1104. Total oil sales were about \$64 billion dollars, so even at the lowest rate of \$1 per \$35, the premiums would have cost the Escrow Account more than \$1.8 billion. The number must be substantially higher.

1105. In contrast: "Adjusting prices to permit payment of a surcharge would have required relatively little underpricing – the \$229 million paid in surcharges is less than one percent of the total oil sales during the period when surcharges were being imposed."

1106. Additional loss was caused by “the Iraqi regime’s efforts to gain influence and support from governmental figures, journalists, and others through its oil allocation scheme. The prices imposed by SOMO allowed recipients of oil allocations to obtain a profit when their allocations were sold on the market. The additional underpricing required by Iraq to implement its oil-for-influence scheme was approximately \$130.3 million.”

1107. The greatest part of the disparity in pricing, however, is attributable to the involvement of the Oil Purchasing Defendants – the necessary middlemen to both the surcharge and influence schemes. The undue profits they charged to facilitate those schemes placed the greatest damage on the Iraqi people.

1108. To pay all of the unnecessary participants and illegal payments, the Hussein Regime had to sell its oil at below market rates. This is demonstrated by the fact that following the UN’s adoption, in October 2001, of “retroactive pricing” of Iraqi crude – which set the price for oil at the time it was lifted – the surcharge scheme quickly diminished and eventually disappeared, because a fair market price made it impossible to reap the excessive profits needed to keep the conspiracy alive.

1109. At a minimum, the Republic of Iraq is entitled to the difference between the OSP and the fair market value of the oil sold under the Programme, which is preliminarily estimated to be in the billions of dollars.

1110. Thus, the minimum diversion from the oil sales side of the Programme was \$358 million, but is believed to be greater than \$2 billion.

2. The amount paid for humanitarian purchases was inflated to fund kickbacks.

1111. By Spring 2003, the Hussein Regime, with the assistance of the Defendants and others like them, had siphoned more than \$1 billion from the UN Escrow Account through the use of ASSFs. Another \$530 million was diverted under the transportation fee scheme, bringing the

total to more than \$1.5 billion directly diverted from its intended use to purchase humanitarian goods.

1112. The delivery of substandard and overpriced goods cost at least an estimated \$7 billion.

1113. About \$1.9 billion in goods were diverted to other purposes.

3. *The diversions from the Escrow Account total at least \$10 billion.*

1114. The corruption of the Programme by the Defendants and others directly deprived the Iraqi people of about \$10 billion in essential food, medicine, and other humanitarian goods that should have been paid from the UN Escrow Account.

B. *Non-Financial Damage*

1115. The greatest damage to the Iraqi people, however, was not the wholesale theft of their oil revenues, but the effect caused by the diversion of those revenues from humanitarian goods to the illicit purposes of the Hussein Regime.

1. *The money diverted to the Hussein Regime damaged the Iraqi people and nation.*

1116. The Defendants conspired to help the Hussein Regime gain access to foreign currency in direct violation of Programme rules and US law.

1117. They did so knowing that the Hussein Regime was a State Sponsor of Terrorism, a known violator of human rights and international law, and an oppressor of its own people.

1118. Undeterred by the consequences of supporting such a Regime, the Defendants placed financial gain over morality and law.

1119. By aiding the Hussein Regime in using oil allocations and humanitarian purchases as a means of rewarding its allies, the Defendants forced the Iraqi people to fund the payments of bribes designed to extend the reign of the tyrannical Regime that subjected them.

1120. By providing or hiding direct financial transactions with the Hussein Regime, the Defendants were actively assisting a declared State Sponsor of Terrorism and were violating all US laws related to transfers to such entities. The Defendants thus helped enable the Hussein Regime to subject the Iraqi people to the same terrorist practices the Hussein Regime inflicted abroad.

2. *The loss of humanitarian supplies damaged the Iraqi people and nation.*

1121. Given the humanitarian crisis in Iraq during the Programme, the loss of the benefits of the humanitarian goods themselves dwarfed the financial loss.

1122. The Programme was designed to provide critically needed food, medicine, and other goods to Iraqi people. In those trying times, the loss of those goods was far more costly than merely financial loss.

1123. The loss of revenue to the Programme translated directly into reduced aid.

1124. All Programme Phases but the last were underfunded. As a result, the amount of humanitarian aid that arrived in Iraq was always less than the Distribution Plans approved by the UN, and even those Distribution Plans were based on estimates of available oil revenues, which would have been substantially higher for much of the Programme had the OSP not been artificially deflated.

1125. According to the UN Secretary-General's 180-day reports on the Programme, for the thirteen Phases of the Programme, the shortfalls were as follows (in millions of dollars):

Phase	Distribution Plan Budget	Actual Humanitarian Revenue Available	Shortfall	Value of Humanitarian Goods Delivered	Shortfall
I*	1,321	1,094	227	672	649
II*	1,321	919	402	672	649
III*	1,321	1,439	-118	672	649
IV	3,100	1,771	1,329	1,516	1,584
V	2,746	1,636	1,110	1,213	1,533
VI	3,116	4,632	-1,516	1,884	1,232
VII	3,527	4,650	-1,123	1,443	2,084
VIII	7,131	6,456	675	763	6,368

Phase	Distribution Plan Budget	Actual Humanitarian Revenue Available	Shortfall	Value of Humanitarian Goods Delivered	Shortfall
IX	5,556	4,452	1,104	2,266	3,290
X	5,505	4,537	968	4,790	715
XI	4,432	4,072	360	6,110	-1,678
XII	5,083	2,793	2,290	3,000	2,083
XIII	4,327	4,694	-367	3,120	1,207
Totals	48,486	43,145	5,341	28,121	20,365

*These figures are estimated based on the average of the first three Phases, because a breakdown is not available.

1126. As is evident, particularly during the later Phases of the Programme, the value of approved contracts materially exceeded the available revenues.

1127. The last Phase is an anomaly because the Coalition Provisional Authority induced *all* Programme participants to reduce their contract prices by at least 10% during this Phase.

1128. As a result, the Iraqi people suffered greatly from shortages of food and medicine.

1129. While there were funds in the Escrow Account at the end of the Programme, those amounts resulted from reductions in contract amounts following the invasion of Iraq (when Programme participants uniformly agreed to reduce their contracts by at least 10%), oil payments received but not yet allocated, amounts related to goods placed on hold by the Security Council, and a gain on currency exchange (due to Hussein's demand that no funds be held in dollars and a rise in the Euro).

1130. Unfortunately, those sums were unavailable earlier, so every dollar siphoned off with the help of the Defendants directly cost the Iraqi people.

1131. Even if the Programme had enjoyed a surplus throughout its existence, the funds remaining in the Escrow Account are owned by the Republic and people of Iraq, as a result of their constitutional ownership of Iraq's oil reserves. At a minimum, they would have had the use of the siphoned funds after the Regime's fall.

4

3. *The Defendants' corruption damaged the UN Sanctions.*

1132. The Defendants' facilitation of the corruption of the OFFP also severely damaged the UN's ability to use economic sanctions as a nonviolent means of inducing change in tyrannical and terrorist regimes. The Defendants' willingness to mislead the United Nations and violate OFFP rules eviscerated the effectiveness of the Iraq Sanctions Program and allowed the Hussein Regime to stay in power until Hussein was ousted by military action.

1133. The weakening of the UN sanctions should at least be considered in the imposition of punitive damages.

X. Claims for Relief

1134. Based on the foregoing facts, incorporated by reference, the Republic of Iraq raises the following claims for relief:

A. First Claim for Relief – RICO Section 1962(c)

1135. The conduct described above violates the provisions of 18 U.S.C. § 1962(c).

1. The Enterprise was the Programme.

1136. The Enterprise was the Programme.

1137. In the alternative, the Enterprise was an association-in-fact enterprise of the Iraq Sanctions Program in general, including the Programme (as an integral part of the Sanctions Program), the 661 Committee, the OIP, and the Programme participants, including the Defendants.

1138. The Enterprise had a distinct purpose – to provide humanitarian aid to the Iraqi people while maintaining the effectiveness of the Iraq Sanctions Program.

1139. The Enterprise had a distinct structure. As set forth in the relevant Security Council Resolutions, the Programme, OIP, and 661 Committee had distinct operational rules and

bureaucracy that existed for years. Billions of dollars of transactions were organized over the length of the Programme.

2. *The Defendants conducted or participated, directly or indirectly, in the conduct of the Enterprise's affairs through racketeering activity.*

1140. The Defendants played integral roles in the Programme and its operations. Without their participation in the Programme's operations, the Programme would not have had any operations at all.

1141. All of the improper direct transfers to the Hussein Regime came from a Programme participant. Every one of those transactions was in direct violation of the Banking Agreement.

(a) *Mail and Wire Fraud (all Defendants)*

1142. The racketeering activities include at least mail and wire fraud (18 U.S.C. §§ 1341 and 1343), violations of the Travel Act (18 U.S.C. § 1952), and money laundering (18 U.S.C. §§ 1956 and 1957).

1143. The Defendants' scheme necessarily involved multiple violations of the mail and wire fraud statutes, because, as explained above, the scheme could not have functioned without phones, faxes, e-mails, and wire transfers.

(b) *Money Laundering (all Defendants)*

1144. The Defendants committed money laundering each time they received payment from the UN Escrow Account that included sums covering an illegal kickback. The Money Laundering Control Act, 18 U.S.C. §§ 1956, 1957, prohibits the use or movement through the United States of proceeds of certain unlawful activity with the intent to promote the unlawful activity.

1145. The Defendants' "unlawful activity" includes, among other matters, (1) bribery, (2) violations of the Foreign Corrupt Practices Act, and, following adoption of the Patriot Act, (3) violations of the IEEPA.

1146. The following Defendants had transactions that post-date the adoption of the Patriot Act: the ABB Defendants, the AGCO Defendants, Akzo Nobel, Astra Zeneca, the Atlas Copco Defendants, AWB, the B. Braun Defendants, Buhler, Chalmers, Chevron, Dow AgroSciences, El Paso, Eastman Kodak, Ebewe, Eli Lilly, the Flowserve Defendants, the GSK Defendants, the Johnson & Johnson Defendants, Novo Nordisk, the Roche Defendants, the Siemens Defendants, Vitol, Woodhouse, Wyatt, and York.

(c) The Travel Act (all Defendants)

1147. The Defendants violated the Travel Act by traveling in interstate or foreign commerce and by using facilities of interstate and foreign commerce (including, without limitation, mail, wire, e-mail, and courier services) with the intent to promote, manage, establish, carry on, and facilitate the promotion of (1) bribery in violation of the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd and the New York commercial bribery statute, N.Y. Penal Law §§ 180.00 and 180.05, (2) money laundering, and, following adoption of the Patriot Act, (3) violations of the IEEPA

1148. The Defendants violated the Travel Act by traveling in interstate or foreign commerce and by using facilities of interstate and foreign commerce (including, without limitation, mail, wire, e-mail, and courier services) to distribute the proceeds of their illegal conduct.

(d) Bribery (all Defendants but BNP)

1149. The systematic bribery by the Defendants is a “racketeering activity.” 18 U.S.C. § 1961(1) (“racketeering activity” means (A) any act or threat involving ... bribery [under state law]....”). The Defendants’ conduct violated New York’s anti-bribery statutes.

1150. The kickbacks and surcharges were a form of bribery, as was the use of oil allocations to reward Hussein allies.

3. *The Defendants' racketeering activity formed a pattern.*

1151. The Defendants' racketeering activity constituted a pattern in that the conduct had a central purpose of diverting funds from their intended humanitarian purposes to the Hussein Regime and to the Defendants.

1152. The racketeering acts were also focused and organized by the processes of the OFFP: the Defendants all had to agree to participate in the Programme, to conceal the involvement of necessary third parties, to mislead the UN into approving payments from the UN Escrow Account, and then to make and conceal the improper payments.

1153. At the insistence of the Hussein Regime and the affirmative assistance of the Defendants, this pattern became the regular means of conducting the OFFP.

1154. The pattern of racketeering activity began shortly after the creation of the OFFP and continued uninterrupted until the Programme's end, following the United States' invasion of Iraq.

1155. As set forth above, the Defendants intentionally became associated with the OFFP, the Enterprise, which was engaged in interstate and foreign commerce, to participate, directly and indirectly, in the operation of the Programme through a pattern of racketeering activity.

B. Second Claim for Relief – RICO 1962(d)

1156. The Defendants conspired among themselves and others, including the Hussein Regime, to make the violations described immediately above.

1157. The Defendants agreed to the unlawful purpose of the conspiracy – to divert funds from the humanitarian purposes of the Programme.

1158. Each of the Defendants voluntarily joined in the operation of the Programme, which acted in interstate commerce. Each Defendant knowingly joined the conspiracy to participate in the operation of the Programme in an illegal and illicit manner. Each Defendant did so through a pattern of racketeering by agreeing to commit and in fact committing the predicate acts listed above.

C. Third Claim for Relief – Fraud

1159. The Defendants' materially false statements to the United Nations were fraudulent, including, by failing to disclose, among other material matters set forth above, that kickbacks and surcharges were being paid, that Programme regulations were being violated, that contracts were not being made on normal commercial terms, and that full disclosures were not being made to the UN.

1160. The Republic of Iraq and the Iraqi people were direct victims of that fraud.

1161. The Republic of Iraq and the people of Iraq are entitled to their actual damages and punitive or exemplary damages.

D. Fourth Claim for Relief – Civil Conspiracy to Commit Fraud

1162. The Defendants combined and agreed with each other and others, including the Hussein Regime, to defraud the UN (and thus Iraq and its people) by failing to disclose, among other material matters set forth above, that kickbacks and surcharges were being paid, that Programme regulations were being violated, that contracts were not being made on normal commercial terms, and that full disclosures were not being made to the UN.

1163. The conspiracy commenced during Phase II, no later than December 1997, and continued through the end of the Programme. Indeed, the Defendants' efforts to hide their wrongs have continued through the UN investigation and to date.

1164. Pursuant to their agreement(s), the Defendants acted in concert to support their common purpose of diverting money from the humanitarian ends of the Programme for their own purposes – including excess profits – causing Iraq and the Iraqi people to receive less than fair value for their oil and to overpay for the humanitarian goods they received.

1165. Each Defendant committed at least one overt act in furtherance of the conspiracy, including misleading the UN as to the true nature of their arrangements with the Hussein Regime.

1166. Each Defendant acted with the common intent to defraud the UN (and thus Iraq and the Iraqi people) and understood that all Defendants and the Hussein Regime shared in that common purpose.

1167. The Defendants' conduct was willful, wanton, malicious, and oppressive.

1168. Having knowingly joined and participated in a conspiracy, the Defendants are jointly and severally liable with other members of the conspiracy.

1169. The Defendants' unlawful conspiracy has directly, legally, and proximately caused substantial injury to Iraq and the Iraqi people, as set forth below.

1170. The Republic of Iraq is entitled to its actual damages and punitive damages.

E. Fifth Claim for Relief – Breach of Fiduciary Duty and Participation in, or Inducement of, Breach of Fiduciary Duty

1171. This claim is raised against the BNP Defendants, Chevron, and Vitol.

1172. BNP breached its fiduciary duties to the Republic of Iraq and the Iraqi people.

1173. The various BNP entities participated in and induced the breaches of BNP's fiduciary duties.

1174. Chevron and Vitol separately participated in and induced BNP's breach of its fiduciary duties.

1175. The Republic of Iraq is entitled to forfeiture of the fees made by the BNP Defendants under the Banking Agreement and otherwise related to the Programme (approximately \$200 million), its actual damages, punitive damages, and any other relief to which it may be entitled.

1176. The other BNP Defendants, Chevron, and Vitol are jointly and severally liable for BNP's breaches of fiduciary duty.

F. Sixth Claim for Relief – Participation in, or Inducement of, Breach of Fiduciary Duty

1177. The Hussein Regime, as the self-proclaimed ruler of Iraq, owed fiduciary duties to the people of Iraq.

1178. The Hussein Regime breached its fiduciary duties to the Iraqi people by diverting funds designed for humanitarian aid to the Iraqi people to the Hussein Regime to be used for other purposes, particularly to maintain their corrupt and illegal control over Iraq and the Iraqi people.

1179. The Defendants participated in, and induced the breaches of, those fiduciary duties.

1180. The Republic of Iraq is entitled to forfeiture of the profits made by the Defendants under the OFFP, its actual damages, punitive damages, and any other relief to which it may be entitled.

1181. The Defendants are jointly and severally liable for the damages resulting from the breaches of fiduciary duty by the Hussein Regime.

G. Seventh Claim for Relief – Breach of Contract

1182. The Defendants breached their contractual commitments to the UN.

1183. The Republic of Iraq is a third party beneficiary to those contracts, as they were intended to benefit the Iraqi people and protect them from the corrupt intentions of the Hussein Regime.

1. BNP breached the Banking Agreement.

1184. BNP breached the Banking Agreement, including without limitation, the incorporated provisions of Resolution 986.

1185. BNP breached the Banking Agreement through negligence and intentional conduct.

1186. BNP has also breached its agreement to refund to the Escrow Account transfers that were made in violation of Programme rules and BNP's OFAC License.

2. *The Vendor Defendants breached their contracts.*

1187. The Vendor Defendants breached the standard provisions in each of their contracts that incorporated the regulations of the Programme, including the provisions requiring full disclosure of all contract terms to the UN, prohibiting direct transfers to the Hussein Regime, and stating that all contracts had to be made on normal commercial terms.

3. *The Oil Purchasing Defendants breached their contracts.*

1188. The Oil Purchasing Defendants breached the standard provisions in each of their contracts, including the provisions that incorporated the regulations of the Programme, that prohibited assignments of contract rights without prior UN approval, that required full disclosure of contract provisions to the UN, and that required that the full purchase price be deposited into the Escrow Account.

1189. The Republic of Iraq, as a third party beneficiary of the contracts, is entitled to recover its actual damages and all other relief to which it is entitled to under the law and the contracts.

1190. The Republic of Iraq is also entitled to forfeiture of all transfers made from the Escrow Account to the BNP Defendants that were made in violation of its OFAC License.

4. *The Republic of Iraq is entitled to rescission.*

1191. All of the Vendor Defendants and the BNP Defendants received funds from the Escrow Account, which held funds of the Republic of Iraq.

1192. Pursuant to United States law at the time, any transfer of Iraqi funds that fell outside the specific rules and regulations of the Iraq Sanctions Program and BNP OFAC License were null and void. *See* International Emergency Economic Powers Act (“IEEPA”), 50 U.S.C. §§ 1701-1706; the United Nations Participation Act, 22 U.S.C. § 287c (the “UNPA”); 31 C.F.R. § 575.202.

1193. The transfers the Vendor Defendants received from the Escrow Account in relation to their contracts during the period of the Kickback Schemes were in violation of UN regulations, and therefore, are void.

1194. The transfers the BNP Defendants received following their breach of the Banking Agreement are also void.

1195. The Republic of Iraq is entitled to rescission of all transfers from the Escrow Account to the Vendor Defendants and the BNP Defendants under the relevant United States statutes and general equitable principles.

H. Eighth Claim for Relief – Unjust Enrichment

1196. The Defendants unjustly enriched themselves at the expense of the Republic of Iraq and the Iraqi people through their manipulation and corruption of the Programme. The circumstances of their enrichment, including their conscious efforts to undermine the Programme's humanitarian goals and their knowing provision of financial resources to a State Sponsor of Terror, are such that, in equity and good conscience, the Defendants should be required to make restitution to the Republic of Iraq.

I. Ninth Claim for Relief – Section 2(c) of the Robinson Patman Act

1197. The Defendants' conduct described above violates the prohibitions against commercial bribery of section 2(c) of the Robinson Patman Act. 15 U.S.C. § 13(c).

1198. The Defendants induced, and participated in, breaches of fiduciary duties owed by the officials of the Hussein Regime to the Republic of Iraq and to the Iraqi people. The Defendants induced, and participated in, those breaches of duties by making, and agreeing to make, or actively concealing, illicit payments outside of the OFFP.

1199. The Republic of Iraq is entitled to treble its actual damages, attorney's fees, and all other relief provided for under federal law, including relief pursuant to 15 U.S.C. §§ 13(c) and 15(a).

***J. Tenth Claim for Relief – Violations of the FCPA
(against the Vendor and Oil Purchasing Defendants)***

1200. When the Vendor and Oil Purchasing Defendants paid surcharges and kickbacks to the Hussein Regime, they were not making payments to a legitimate government for government purposes. Instead, those payments were being made to government officials for purposes unrelated to official government purposes. As set out in the Programme regulations and the MOU, the sole legitimate government use for the humanitarian funds in the Escrow Account had already been established by agreement. The surcharges and kickbacks were diverted from those legitimate governmental purposes to the personal aims of Saddam Hussein, who used them to solidify his power and to maintain the trappings of his dictatorship.

1201. The conduct of the Vendor and Oil Purchasing Defendants therefore violated the Foreign Corrupt Practices Act (“FCPA”), 15 U.S.C. § 78dd-1, *et seq.*

1202. The Republic of Iraq is entitled to its actual damages.

XI. Jury Demand

1203. The Republic of Iraq demands a trial by jury.

XII. Prayer for Relief

The Republic of Iraq prays for itself, its agencies and instrumentalities, and, in parens patriae, for the people of Iraq that this Court award it all the relief to which it is entitled under law or equity.

July 31, 2009
New York, New York

Respectfully submitted,

BURFORD & MANEY PC



Mark Maney (*mmaney@burfordmaney.com*)
(not yet admitted in District)

Roliff Purrington (*rpurrington@maneypurrington.com*)
(not yet admitted in District)

700 Louisiana, Suite 4600
Houston, Texas 77002
(713) 237-1111 Telephone
(713) 222-1475 Facsimile

BERNSTEIN LIEBHARD LLP



Stanley D. Bernstein (*bernstein@bernlieb.com*)

Rebecca M. Katz (*katz@bernlieb.com*)

Christian Siebott (*siebott@bernlieb.com*)

Brian E. Lehman (*lehman@bernlieb.com*)

10 East 40th Street
New York, New York 10016
(212) 779-1414 Telephone
(212) 779-3218 Facsimile

COUNSEL FOR THE REPUBLIC OF IRAQ

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

THE REPUBLIC OF IRAQ, including as
PARENS PATRIAE in behalf of the
CITIZENS of the REPUBLIC OF IRAQ,

Plaintiff,

-against-

ABB AG, et al.,

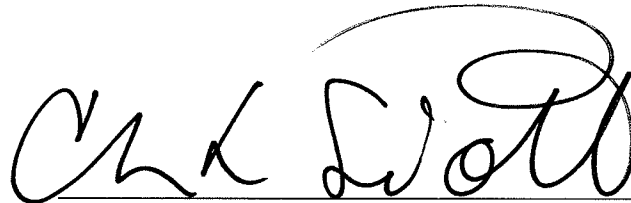
Defendants.

ECF CASE

08 Civ. 5951 (GEL)

CERTIFICATE OF SERVICE

I, Christian Siebott, hereby certify that on the 31st day of July, 2009, I caused true and accurate copies of the foregoing the Republic of Iraq's First Amended Complaint to be served via ECF and/or first class mail upon counsel listed in the attached service list.

A handwritten signature in black ink, appearing to read 'Christian Siebott', written in a cursive style. The signature is positioned above a horizontal line.

CHRISTIAN SIEBOTT

SERVICE LIST

ALSTON BIRD, LLP
Nelson Boxer
Christina Spiller
90 Park Avenue
New York, NY 10016

*Attorneys for Aesculap AG and KG,
Aesculap Motric S.A., Aesculap Surgical
Instruments SDN, B. Braun Medical
France, B. Braun Medical Industries
SDN BHD (Malaysia), B. Braun
Melsungen A.G.*

AXINN, VELTROP & HARKRIDER,
LLP
John Harkrider
Evan Storm
114 West 47th Street
New York, NY 10036

Attorneys for Secalt S.A.

BAKER & MCKENZIE
Lawrence Newman
1114 Avenue of the Americas
New York, NY 10036

*Attorney for Sulzer Buckhardt
Engineering Works Ltd.*

BARNES & THORNBURG
Andrew Helfrich
121 W. Franklin St., Suite 200
Elkhart, IN 46516

Attorney for ABB Solyvent-Ventec

CADWALADER, WICKERSHAM &
TAFT LLP
James K. Robinson
Michael Evan Horowitz
700 6th Street N.W.
Washington, DC 20001

CADWALADER, WICKERSHAM &
TAFT LLP
Jason Jurgens
Nathan Marshall Bull
One World Financial Center
New York, NY 10281

Attorneys for Dow Agrosciences

COVINGTON & BURLING LLP
Nancy Lynn Kestenbaum
620 Eighth Avenue
New York, NY 10018

COVINGTON & BURLING LLP
O. Thomas Johnson, Jr.
Mark H. Lynch
1201 Pennsylvania Avenue, NW
Washington, DC 20004

*Attorneys for Akzo Nobel N.V., Astra
Zeneca AB, Cilag AG International,
Intervet International B.V. ("Intervet"),
Janssen Pharmaceutical, Merial, N.V.
Organon ("Organon")*

CRAVATH, SWAINE & MOORE, LLP
Robert H. Baron
Timothy Cameron
825 Eighth Avenue
New York, NY 10019

Attorneys for AWB Ltd.

SERVICE LIST

DAVIS POLK & WARDWELL
Brian Stryker Weinstein
Jason Bradley McCullough
450 Lexington Avenue
New York, NY 10017

*Attorneys for F. Hoffman La Roche,
Roche Diagnostics GMBH*

DRINKER BIDDLE & REATH, LLP
Gregory Miller
One Logan Square Ste. 2000
Philadelphia, PA 19103-6996

DRINKER BIDDLE & REATH, LLP
Michael Miner
1500 K Street, N.W.
Washington, DC 20005

*Attorneys for Renault Agriculture &
Sonalika International*

EDWARDS, ANGELL, PALMER &
DODGE, LLP
Ira G. Greenberg
750 Lexington Avenue
New York, NY 10022

EDWARDS, ANGELL, PALMER &
DODGE, LLP
Florence Crisp
2800 Financial Plaza
Providence, RI 02903

Attorneys for Dresser International

EPSTEIN, BECKER & GREEN, P.C.
Peter Louis Altieri
David John Clark
250 Park Avenue
New York, NY 10177

Attorneys for Railtech International

HARKINS CUNNINGHAM, LLP
John G. Harkins, Jr.
Colleen Healy Simpson
Marianne Consentino
2800 One Commerce Square
2005 Market Street
Philadelphia, PA 19103-7042

*Attorneys for Rohm and Haas France
S.A.*

HOWREY LLP
Greg Baker
1299 Pennsylvania Ave., N.W.
Washington, DC 20004

Attorney for Solar Turbines Europe

JONES DAY
Meir Feder
Phineas E. Leahey
Thomas E. Lynch
222 East 41st Street
New York, NY 10017

*Attorneys for Chevron Corp. including
as successor to Texaco Corp.*

JONES DAY
Chris J. Lopata
222 East 41st Street
New York, NY 10017

JONES DAY
Thomas Jones
Michael H. Ginsberg
Amy K. Pohl
500 Grant Street - Suite 4500
Pittsburgh, PA 15219

Attorneys for The Weir Group

SERVICE LIST

KELLEY DRYE & WARREN, LLP
Thomas Benjamin Kinzler
David I. Zalman
Melissa Errine Byroade
101 Park Avenue
New York, NY 10178

KELLEY DRYE & WARREN LLP
Eric McClafferty
Washington Harbour, Suite 400 -- 3050
K Street, N.W.
Washington, DC 20007

Attorneys for Flowserve B.V., Flowserve Corp., Flowserve Pompes (formerly Ingersoll-Dresser Pompes)

KIRKLAND & ELLIS LLP
Brant Warren Bishop
John R. Bolton
Thomas D. Yannucci
655 Fifteenth Street, NW Suite 1200
Washington, DC 20005

Attorneys for Siemens Sanayi ve Ticaret A.Ş., Osram Middle East FZE, Siemens S.A.S. France

KIRKLAND & ELLIS LLP
James P. Gillespie, PC
Andreanna M. Truelove
Karen McCartan DeSantis
655 Fifteenth Street, N.W., Suite 1200
Washington, DC 20005

Attorneys for ABB AG, ABB Automation, ABB Elektrik Sanayi A.Ş., ABB Industrie AC Machines, ABB Industrie Champagne, ABB Near East Trading Ltd.

EL PASO CORPORATION
LEGAL DEPARTMENT
Thomas M. Malone
John L. Shoemaker
1001 Louisiana St., Suite 1925
Houston, TX 77002

Attorneys for El Paso Corp. (successor to Coastal Corp.)

ST. JUDE MEDICAL, INC.
LEGAL DEPARTMENT
Jim Ladner
1 Lillehei Plaza
St. Paul, MN 55117

Attorney for St. Jude Medical Export GMBH

PARK & JENSEN LLP
Tai H. Park
369 Lexington Avenue, 16th Floor
New York, NY 10017

Attorney for Boston Scientific S.A.

SERVICE LIST

PEPPER HAMILTON LLP
Kenneth J. King
620 Eighth Avenue, 37th Floor
New York, NY 10018

PEPPER HAMILTON LLP
Gregory A. Paw
Robert L. Hickok
3000 Two Logan Square -- Eighteenth
and Arch Streets
Philadelphia, PA 19103

*Attorneys for Glaxo Smithkline Egypt
SAE, Glaxo Wellcome Export Ltd.,
Glaxo Wellcome SA (South Africa)
(PRY) Ltd., GlaxoSmithKline Walls
House, SmithKline Beecham
International*

PILLSBURY WINTHROP SHAW
PITTMAN, LLP
John F. Pritchard
Ranah Leila Esmaili
1540 Broadway
New York, NY 10036

*Attorneys for Atlas Copco Airpower n.v.,
Atlas Copco CMT Sweden AB*

REED SMITH
Casey Devin Laffey
599 Lexington Avenue
New York, NY 10022

REED SMITH
Casey L. Westover
Richard Wray
10 South Wacker Drive
Chicago, IL 60606

*Attorneys for York Air Conditioning and
Refrigeration FZE*

SHEARMAN & STERLING LLP
Tammy Bieber
Dan Newcomb
H. Miriam Farber
599 Lexington Avenue
New York, NY 10022

*Attorneys for ABG Allgemeine
Baumaschinen-Gesellschaft mbH,
Renault V.I., Renault Trucks SAS, Volvo
Construction Equipment AB (a
successor company to Volvo
Construction Equipment International)*

SHEARMAN & STERLING LLP
Ken Kramer
H. Miriam Farber
599 Lexington Avenue
New York, NY 10022

Attorneys for Buhler Ltd.

SHEARMAN & STERLING LLP
Ken Kramer
599 Lexington Avenue
New York, NY 10022

*Attorney for Sulzer Pumpen Deutschland
GMBH, Sulzer Turbo Ltd.*

SERVICE LIST

SIDLEY AUSTIN LLP
Dorothy Jane Spenner
Andrew Douglas Hart
787 Seventh Avenue
New York, NY 10019

SIDLEY AUSTIN LLP
Bradford A. Berenson
Richard D. Klingler
1501 K Street, N.W.
Washington, DC 20005

Attorneys for Eli Lilly Export S.A., Novo Nordisk

SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
William John O'Brien, III
Four Times Square
New York, NY 10036

SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
Robert S. Bennett
Jennifer L. Spaziano
1440 New York Avenue N.W.
Washington, DC 20005

*Attorneys for BNP Paribas (Suisse) SA ,
BNP Paribas Hong Kong , BNP Paribas
London Branch, BNP Paribas Paris,
BNP Paribas UK Holdings Limited,
BNP Paribas USA*

SPAGNOLETTI & CO.
Francis I. Spagnoletti
401 Louisiana Street, 8th Floor
Houston, TX 77002

Attorney for David B. Chalmers, Jr.

SULLIVAN & CROMWELL, LLP
Penny Shane
Andrew Hunter Reynard
David Harold Braff
Steven Robert Peikin
125 Broad Street
New York, NY 10004

Attorneys for Vitol S.A.

TROUTMAN SANDERS, L.L.P.
Elliot Cohen
Robert M. Carmen
405 Lexington Avenue
New York, NY 10174-0700

*Attorneys for AGCO Denmark A/S,
AGCO S.A., Valtra do Brazil*

WILLIAMS & CONNOLLY LLP
Robert A. Van Kirk
Katherine M. Turner
Matthew W.H. Wessler
Philip A. Sechler
725 Twelfth Street, N.W.
Washington, DC 20005

*Attorneys for Clyde Union S.A.S.
(formerly known as Union Pumps S.A.S.
formerly known as David Brown
Guinard Pumps S.A.S.), David Brown
Transmissions France S.A., Textron Inc.*

SERVICE LIST

GIBBONS P.C.

Philip Warren Crawford
Jennifer Marino Thibodaux
Thomas R. Valen
One Gateway Center
Newark, NJ 07102

LEE, HONG, DEGERMAN, KANG & WAIMEY

Larry R. Schmadeka
660 South Figueroa Street, Suite 2300
Los Angeles, CA 90017

*Attorneys for Daewoo International
Corp., Kia Motors Corp.*

LANDMAN CORSI BALLAINE & FORD PC

Mark S. Landman
120 Broadway, 27th Floor
New York, NY 10271

WILLCOX & SAVAGE P.C.

Conrad M. Shumadine
Brett A. Spain
One Commercial Place Suite 1800
Norfolk, VA 23510

*Attorneys for Liebherr Export, Liebherr
France SA*

CANALES & SIMONSON, P.C.

J. A. Canales
Hector Canales
2601 Morgan Avenue
Corpus Christi, TX 78405

LAW OFFICE OF STEVEN ORLIKOFF

Steven Orlikoff
P.O. Box 6225
New York, NY 10150

THE PARKER LAW FIRM

Carl A. Parker
1 Plaza Square
Port Arthur, TX 77642

Attorneys for Oscar S. Wyatt, Jr.

K&L GATES

Walter P. Loughlin
599 Lexington Avenue
New York, NY 10022-6030

SHACKELFORD MELTON & MCKINLEY

Leland DeLaGarza
Andy Seigel
Tim Zieger
3333 Lee Parkway, 10th Floor
Dallas, TX 75219

Attorneys for Woodhouse International