UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO

UNITED STATES OF AMERICA

v.

DIEBOLD, INCORPORATED,

Defendant.

CASE NO. 5:13CR464

JUDGE OLIVER

/

DEFERRED PROSECUTION AGREEMENT

Defendant Diebold, Incorporated (the "Company"), by its undersigned representatives, pursuant to authority granted by the Company's Board of Directors, and the United States Attorney's Office for the Northern District of Ohio and the United States Department of Justice, Criminal Division, Fraud Section (collectively, the "Department"), enter into this deferred prosecution agreement (the "Agreement"). The terms and conditions of this Agreement are as follows:

Criminal Information and Acceptance of Responsibility

1. The Company acknowledges and agrees that the Department will file the attached two-count criminal Information in the United States District Court for the Northern District of Ohio charging the Company with one count of conspiracy, 18 U.S.C. § 371, to violate the Foreign Corrupt Practices Act anti-bribery provisions, 15 U.S.C. § 78dd-1, and books and records provisions, 15 U.S.C. § 78m, and one count of violating the books and records provisions of the Foreign Corrupt Practices Act books, 15 U.S.C. §§ 78m(b)(2), 78m(b)(5), and 78ff(a). In so doing, the Company: (a) knowingly waives its right to indictment on this charge, as well as all rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, 18

U.S.C. § 3161, and Federal Rule of Criminal Procedure 48(b); and (b) knowingly waives for purposes of this Agreement and any charges by the United States arising out of the conduct described in the attached Statement of Facts any objection with respect to venue and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Northern District of Ohio.

2. The Company admits, accepts, and acknowledges that it is responsible under United States law for the acts of its officers, directors, employees, and agents as charged in the Information, and as set forth in the Statement of Facts attached hereto as Attachment A and incorporated by reference into this Agreement, and that the allegations described in the Information and the facts described in Attachment A are true and accurate. Should the Department pursue the prosecution that is deferred by this Agreement, the Company stipulates to the admissibility of the Statement of Facts in any proceeding, including any trial, guilty plea, or sentencing proceeding, and will not contradict anything in the Statement of Facts at any such proceeding. Neither this Agreement nor the criminal Information is a final adjudication of the matters addressed in such documents.

Term of the Agreement

3. This Agreement is effective for a period beginning on the date on which the Information is filed and ending three (3) years and seven (7) calendar days from that date (the "Term"). The Company agrees, however, that, in the event that the Department determines, in its sole discretion, that the Company has knowingly violated any provision of this Agreement, an extension or extensions of the term of the Agreement may be imposed by the Department, in its sole discretion, for up to a total additional time period of one year, without prejudice to the Department's right to proceed as provided in Paragraphs 16-20 below. Any extension of the

Agreement extends all terms of this Agreement, including the terms of the monitorship or reporting requirement in Attachment D, for an equivalent period. Conversely, in the event the Department finds, in its sole discretion, that there exists a change in circumstances sufficient to eliminate the need for the corporate compliance monitor or reporting requirement in Attachment D, and that the other provisions of this Agreement have been satisfied, the Term of the Agreement may be terminated early.

Relevant Considerations

4. The Department enters into this Agreement based on the individual facts and circumstances presented by this case and the Company. Among the facts considered were the following: (a) following discovery of the FCPA violations during the course of acquisition-related due diligence, the Company initiated an internal investigation and voluntarily disclosed to the Department the misconduct described in the Information and Statement of Facts; (b) the Company cooperated fully and conducted an extensive internal investigation; (c) the Company has committed to continue to enhance its compliance program and internal controls, including ensuring that its compliance program satisfies the minimum elements set forth in Attachment C to this Agreement; and (d) the Company has agreed to continue to cooperate with the Department in any ongoing investigation of the conduct of the Company and its officers, directors, employees, agents, and consultants relating to violations of the FCPA as provided in Paragraph 5 below. In addition to the foregoing, although the Company has undertaken some remedial measures, in light of the specific facts and circumstances of this case and the Company's recent history, including a previous accounting fraud enforcement action by the Securities and Exchange Commission, the Department believes that the Company's remediation

is not sufficient to address and reduce the risk of recurrence of the Company's misconduct and warrants the retention of an independent corporate monitor as described in Paragraphs 10-13.

5. The Company shall continue to cooperate fully with the Department in any and all matters relating to corrupt payments and related false books and records and inadequate internal controls, subject to applicable law and regulations. At the request of the Department, the Company shall also cooperate fully with other domestic or foreign law enforcement authorities and agencies, as well as the Multilateral Development Banks ("MDBs"), in any investigation of the Company, its affiliates, or any of its present and former officers, directors, employees, agents, and consultants, or any other party, in any and all matters relating to corrupt payments. The Company agrees that its cooperation shall include, but is not limited to, the following:

a. The Company shall truthfully disclose all factual information not protected by a valid claim of attorney-client privilege or work product doctrine with respect to its activities, those of its affiliates, and those of its present and former directors, officers, employees, agents, and consultants concerning all matters relating to corrupt payments about which the Company has any knowledge or about which the Department may inquire. This obligation of truthful disclosure includes the obligation of the Company to provide to the Department, upon request, any document, record or other tangible evidence relating to such corrupt payments about which the Department may inquire of the Company.

b. Upon request of the Department, with respect to any issue relevant to its investigation of corrupt payments in connection with the operations of the Company and related books and records of the Company, or any of its present or former subsidiaries or affiliates, the Company shall designate knowledgeable employees, agents or attorneys to provide to the Department the information and materials described in Paragraph 5(a) above on behalf of the

Company. It is further understood that the Company must at all times provide complete, truthful, and accurate information.

c. With respect to any issue relevant to the Department's investigation of corrupt payments, related false books and records, and inadequate controls in connection with the operations of the Company or any of its present or former subsidiaries or affiliates, the Company shall use its best efforts to make available for interviews or testimony, as requested by the Department, present or former officers, directors, employees, agents and consultants of the Company. This obligation includes, but is not limited to, sworn testimony before a federal grand jury or in federal trials, as well as interviews with federal law enforcement and regulatory authorities. Cooperation under this Paragraph shall include identification of witnesses who, to the knowledge of the Company, may have material information regarding the matters under investigation.

d. With respect to any information, testimony, documents, records or other tangible evidence provided to the Department pursuant to this Agreement, the Company consents to any and all disclosures, subject to applicable law and regulations, to other governmental authorities, including United States authorities and those of a foreign government, and the MDBs, of such materials as the Department, in its sole discretion, shall deem appropriate.

Payment of Monetary Penalty

6. The Department and the Company agree that application of the United States Sentencing Guidelines ("USSG" or "Sentencing Guidelines") to determine the applicable fine range yields the following analysis:

a. The 2012 USSG are applicable to this matter.

b. Count One Offense Level. Based upon USSG § 2C1.1, the total offense level is 34, calculated as follows:

(a)(2)	Base Offense Level	12
(b)(1)	Multiple Bribes	+2
(b)(2)	Value of benefit received more than $7,000,000	+20
	Offense Level	34

c. Analysis for Multiple Counts. Based on upon USSG § 3D1.4, the Offense Level of Count One is enhanced by 1 level, as follows:

Count Two Offense Level. Based upon USSG § 2B1.1, the offense level for Count Two is 26, calculated as follows:

(a)(1)	Base Offense Level	6
(b)(1)	Value of benefit received more than $1,000,000	+16
(b)(10)	Substantial part of fraudulent scheme committed from abroad	+2
(b)(15)	More than $1,000,000 in gross receipts derived from one or more financial institutions	+2
	Offense Level	26

§ 3D1.4(a) Count One counts as one Unit.

§ 3D1.4(b) Count Two counts as one-half Unit.

TOTAL OFFENSE LEVEL **35**

d. Base Fine. Based upon USSG § 8C2.4(a)(1), the base fine is $36,000,000.

e. Culpability Score. Based upon USSG § 8C2.5, the culpability score is 5, calculated as follows:

(a)	Base Culpability Score	5
(b)(3)	the organization had 5,000 or more employees and an individual within high-level personnel of the organization participated in, condoned, or was	

	willfully ignorant of the offense	+5
(g)(1)	The organization, prior to imminent threat of disclosure or government investigation and within a reasonably prompt time after becoming aware of the offense, reported the offense to appropriate governmental authorities, fully cooperated in the investigation, and clearly demonstrated recognition and affirmative acceptance of responsibility for its criminal conduct	- 5
TOTAL		5

Calculation of Fine Range:

Base Fine	$36,000,000
Multipliers	1(min)/2(max)
Fine Range	$36,000,000 / $72,000,000

The Company agrees to pay a monetary penalty in the amount of $25,200,000 to the United States Treasury within ten (10) days of the filing of the Information. The Company and the Department agree that this fine is appropriate given the facts and circumstances of this case, including the nature and extent of the Company's voluntary disclosure and cooperation. The $25,200,000 penalty is final and shall not be refunded. Furthermore, nothing in this Agreement shall be deemed an agreement by the Department that $25,200,000 is the maximum penalty that may be imposed in any future prosecution, and the Department is not precluded from arguing in any future prosecution that the Court should impose a higher fine, although the Department agrees that under those circumstances, it will recommend to the Court that any amount paid under this Agreement should be offset against any fine the Court imposes as part of a future judgment. The Company acknowledges that no United States tax deduction may be sought in connection with the payment of any part of this $25,200,000 penalty.

Conditional Release from Liability

7. Subject to Paragraphs 16-20, the Department agrees, except as provided herein, that it will not bring any criminal or civil case against the Company related to the conduct described in the attached Statement of Facts or relating to information that the Company disclosed to the Department prior to the date on which this Agreement was signed. The Department, however, may use any information related to the conduct described in the attached Statement of Facts against the Company: (a) in a prosecution for perjury or obstruction of justice related offenses; (b) in a prosecution for making a false statement; (c) in a prosecution or other proceeding relating to any crime of violence; or (d) in a prosecution or other proceeding relating to a violation of any provision of Title 26 of the United States Code.

a. This Paragraph does not provide any protection against prosecution for any future conduct by the Company.

b. In addition, this Paragraph does not provide any protection against prosecution of any present or former officer, director, employee, shareholder, agent, consultant, contractor, or subcontractor of the Company for any violations committed by them.

Corporate Compliance Program

8. The Company represents that it has implemented and will continue to implement a compliance and ethics program designed to prevent and detect violations of the FCPA and other applicable anti-corruption laws throughout its operations, including those of its affiliates, agents, and joint ventures, and those of its contractors and subcontractors whose responsibilities include interacting with foreign officials or other high-risk activities. Implementation of these policies and procedures shall not be construed in any future enforcement proceeding as providing

immunity or amnesty for any crimes not disclosed to the Department as of the date of signing of this Agreement for which the Company would otherwise be responsible.

9. In order to address any deficiencies in its internal controls, policies, and procedures, the Company represents that it has undertaken, and will continue to undertake in the future, in a manner consistent with all of its obligations under this Agreement, a review of its existing internal controls, policies, and procedures regarding compliance with the FCPA and other applicable anti-corruption laws. If necessary and appropriate, the Company will adopt new or modify existing internal controls, policies, and procedures in order to ensure that the Company maintains: (a) a system of internal accounting controls designed to ensure the making and keeping of fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance code, standards, and procedures designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. The internal controls system and compliance code, standards, and procedures will include, but not be limited to, the minimum elements set forth in Attachment C, which is incorporated by reference into this Agreement.

Corporate Compliance Monitor

10. Promptly after the Department's selection pursuant to Paragraph 11 below, the Company agrees to retain an independent compliance monitor (the "Monitor"). Within thirty (30) calendar days after the execution of this Agreement, and after consultation with the Department, the Company will propose to the Department a pool of three (3) qualified candidates to serve as the Monitor. If the Department determines, in its sole discretion, that any of the candidates are not, in fact, qualified to serve as the Monitor, or if the Department, in its sole discretion, is not satisfied with the candidates proposed, the Department reserves the right to

seek additional nominations from the Company. The Monitor candidates shall have, at a minimum, the following qualifications:

a. demonstrated expertise with respect to the FCPA and other applicable anti-corruption laws, including experience counseling on FCPA issues;

b. experience designing and/or reviewing corporate compliance policies, procedures and internal controls, including FCPA and anti-corruption policies, procedures and internal controls;

c. the ability to access and deploy resources as necessary to discharge the Monitor's duties as described in the Agreement; and

d. sufficient independence from the Company to ensure effective and impartial performance of the Monitor's duties as described in the Agreement.

11. The Department retains the right, in its sole discretion, to accept or reject any Monitor candidate proposed by the Company, though the Company may express its preference(s) among the candidates. In the event the Department rejects all proposed Monitors, the Company shall propose an additional three candidates within ten (10) calendar days after receiving notice of the rejection. This process shall continue until a Monitor acceptable to both parties is chosen. The Department and the Company will use their best efforts to complete the selection process within sixty (60) calendar days of the filing of the Agreement and the accompanying Information. If the Monitor resigns or is otherwise unable to fulfill his or her obligations as set out herein and in Attachment D, the Company shall within sixty (60) calendar days recommend a pool of three (3) qualified Monitor candidates from which the Department will choose a replacement.

12. The Monitor will be retained by the Company for a period of not less than eighteen (18) months from the date the Monitor is selected. The term of the monitorship, including the circumstances that may support an extension of the term, as well as the Monitor's powers, duties, and responsibilities will be as set forth in Attachment D. The Company agrees that it will not employ or be affiliated with the Monitor for a period of not less than two (2) years from the date on which the Monitor's term expires. Nor will the Company discuss with the Monitor the possibility of employment or affiliation during the Monitor's term.

13. At the end of the monitorship, provided all requirements set forth in Paragraph 19 of Attachment D are met, the Company will report on its compliance to the Department periodically, at no less than six-month intervals, for the remainder of this Agreement, regarding remediation and implementation of the enhanced compliance measures set forth by the Monitor as described in Paragraphs 20-21 of Attachment D. The Company shall designate a senior company officer as the person responsible for overseeing the Company's corporate compliance reporting obligations. Should the Company discover credible evidence that potentially corrupt payments or potentially corrupt transfers of property or interests may have been offered, promised, paid, or authorized by any Company entity or person, or any entity or person working directly for the Company, or that related false books and records have been maintained, the Company shall promptly report such conduct to the Department. During this period, the Company shall conduct and prepare at least three follow-up reviews and reports, as described below:

a. The Company shall undertake follow-up reviews at six-month intervals, each incorporating the Department's views and comments on the Company's prior reviews and reports, to determine whether the policies and procedures of the Company are reasonably

designed to detect and prevent violations of the FCPA and other applicable anticorruption laws. Reports shall be transmitted to the Deputy Chief - FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, 1400 New York Avenue, NW, Bond Building, Eleventh Floor, Washington, DC 20530, and to Assistant United States Attorney Justin J. Roberts, United States Attorney's Office for the Northern District of Ohio, 801 West Superior Avenue, Suite 400, Cleveland, Ohio 44113-1852.

b. The first follow-up review and report shall be completed by no later than one-hundred- eighty (180) calendar days after the approval by the Department of the enhanced compliance measures described in Paragraphs 20-21 of Attachment D. Subsequent follow-up reviews and reports shall be completed by no later than one-hundred-eighty (180) calendar days after the completion of the preceding follow-up review.

c. The Company may extend the time period for submission of any of the follow-up reports with prior written approval of the Department.

Deferred Prosecution

14. In consideration of: (a) the past and future cooperation of the Company described in Paragraphs 4-5 above; (b) the Company's payment of a criminal penalty of $25,200,000; and (c) the Company's implementation and maintenance of remedial measures as described in Paragraphs 8 and 9 above, the Department agrees that any prosecution of the Company for the conduct set forth in the attached Statement of Facts, and for the conduct that the Company disclosed to the Department prior to the signing of this Agreement, be and hereby is deferred for the Term of this Agreement.

15. The Department further agrees that if the Company fully complies with all of its obligations under this Agreement, the Department will not continue the criminal prosecution

against the Company described in Paragraph 1 and, at the conclusion of the Term, this Agreement shall expire. Within thirty (30) days of the Agreement's expiration, the Department shall seek dismissal with prejudice of the criminal Information filed against the Company described in Paragraph 1.

Breach of the Agreement

16. If, during the Term of this Agreement, the Department determines, in its sole discretion, that the Company has breached the Agreement by (a) committing any felony under U.S. federal law subsequent to the signing of this Agreement, (b) providing in connection with this Agreement deliberately false, incomplete, or misleading information, (c) failing to cooperate as set forth in Paragraph 5 of this Agreement; (d) failing to implement an enhanced compliance program as set forth in Paragraphs 8-9 of this Agreement and Attachment C; (e) commit any acts that, had they occurred within the jurisdictional reach of the FCPA, would be violations of the FCPA; or (f) otherwise failing specifically to perform or to fulfill completely each and every one of the Company's obligations under the Agreement, the Company shall thereafter be subject to prosecution for any federal criminal violation of which the Department has knowledge, including but not limited to prosecution for the charges in the Information described in Paragraph 1, which may be pursued by the Department in the U.S. District Court for the Northern District of Ohio or any other appropriate venue. Any such prosecution may be premised on information provided by the Company. Any such prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Department prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against the Company notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the expiration

of the Term plus one year. Thus, by signing this Agreement, the Company agrees that the statute of limitations with respect to any such prosecution that is not time-barred on the date of the signing of this Agreement shall be tolled for the Term plus one year.

17. In the event that the Department determines that the Company has breached this Agreement, the Department agrees to provide the Company with written notice of such breach prior to instituting any prosecution resulting from such breach. Within thirty (30) days of receipt of such notice, the Company shall have the opportunity to respond to the Department in writing to explain the nature and circumstances of such breach, as well as the actions the Company has taken to address and remediate the situation, which explanation the Department shall consider in determining whether to institute a prosecution.

18. In the event that the Department determines that the Company has breached this Agreement: (a) all statements made by or on behalf of the Company to the Department or to the Court, including the attached Statement of Facts, and any testimony given by the Company before a grand jury, a court, or any tribunal, or at any legislative hearings, whether prior or subsequent to this Agreement, and any leads derived from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings brought by the Department against the Company; and (b) the Company shall not assert any claim under the United States Constitution, Rule 11(f) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence, or any other federal rule that statements made by or on behalf of the Company prior or subsequent to this Agreement, or any leads derived therefrom, should be suppressed or are otherwise inadmissible. The decision whether conduct or statements of any current director or employee, or any person acting on behalf of, or at the direction of, the

Company will be imputed to the Company for the purpose of determining whether the Company has violated any provision of this Agreement shall be in the sole discretion of the Department.

19. The Company acknowledges that the Department has made no representations, assurances, or promises concerning what sentence may be imposed by the Court if the Company breaches this Agreement and this matter proceeds to judgment. The Company further acknowledges that any such sentence is solely within the discretion of the Court and that nothing in this Agreement binds or restricts the Court in the exercise of such discretion.

20. No later than 90 days prior to the expiration of the period of deferred prosecution specified in this agreement, the Company, by a representative officer, will certify to the Department that the Company is aware of no facts that would tend to indicate the company had breached any of the terms of this agreement. Such certification will be deemed a material statement and representation to the executive branch of the United States, and it will be deemed to have been made in the judicial district in which the instant agreement is filed.

Sale or Merger of Company

20. The Company agrees that in the event it sells, merges, or transfers all or substantially all of its business operations as they exist as of the date of this Agreement, whether such sale is structured as a sale, asset sale, merger, or transfer, it shall include in any contract for sale, merger, or transfer a provision binding the purchaser, or any successor in interest thereto, to the obligations described in this Agreement.

Public Statements by Company

21. The Company expressly agrees that it shall not, through present or future attorneys, officers, directors, employees, agents or any other person authorized to speak for the Company make any public statement, in litigation or otherwise, contradicting the acceptance of

responsibility by the Company set forth above or the facts described in the attached Statement of Facts. Any such contradictory statement shall, subject to cure rights of the Company described below, constitute a breach of this Agreement, and the Company thereafter shall be subject to prosecution as set forth in Paragraphs 16-20 of this Agreement. The decision whether any public statement by any such person contradicting a fact contained in the Statement of Facts will be imputed to the Company for the purpose of determining whether it has breached this Agreement shall be at the sole discretion of the Department. If the Department determines that a public statement by any such person contradicts in whole or in part a statement contained in the Statement of Facts, the Department shall so notify the Company, and the Company may avoid a breach of this Agreement by publicly repudiating such statement(s) within five (5) business days after notification. The Company shall be permitted to raise defenses and to assert affirmative claims in other proceedings relating to the matters set forth in the Statement of Facts provided that such defenses and claims do not contradict, in whole or in part, a statement contained in the Statement of Facts. This Paragraph does not apply to any statement made by any present or former officer, director, employee, or agent of the Company in the course of any criminal, regulatory, or civil case initiated against such individual, unless such individual is speaking on behalf of the Company.

22. The Company agrees that if it or any of its direct or indirect subsidiaries or affiliates issues a press release or holds any press conference in connection with this Agreement, the Company shall first consult the Department to determine (a) whether the text of the release or proposed statements at the press conference are true and accurate with respect to matters between the Department and the Company; and (b) whether the Department has any objection to the release.

23. The Department agrees, if requested to do so, to bring to the attention of governmental and other debarment authorities the facts and circumstances relating to the nature of the conduct underlying this Agreement, including the nature and quality of the Company's cooperation and remediation. By agreeing to provide this information to debarment authorities, the Department is not agreeing to advocate on behalf of the Company, but rather is agreeing to provide facts to be evaluated independently by the debarment authorities.

Limitations on Binding Effect of Agreement

24. This Agreement is binding on the Company and the Department but specifically does not bind any other federal agencies, or any state, local or foreign law enforcement or regulatory agencies, or any other authorities, although the Department will bring the cooperation of the Company and its compliance with its other obligations under this Agreement to the attention of such agencies and authorities if requested to do so by the Company.

Notice

25. Any notice to the Department under this Agreement shall be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to the Deputy Chief - FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, 1400 New York Avenue, NW, Bond Building, Eleventh Floor, Washington, DC 20530, and to Assistant United States Attorney Justin J. Roberts, United States Attorney's Office for the Northern District of Ohio, 801 West Superior Avenue, Suite 400, Cleveland, Ohio 44113-1852. Any notice to the Company under this Agreement shall be given by personal delivery, overnight delivery by a recognized delivery service, or registered or certified mail, addressed to Chad F. Hesse, General Counsel, Diebold, Inc., 818 Mulberry Rd SE, Canton, OH 44707. Notice shall be effective upon actual receipt by the Department or the Company.

Complete Agreement

26. This Agreement sets forth all the terms of the agreement between the Company and the Department. No amendments, modifications or additions to this Agreement shall be valid unless they are in writing and signed by the Department, the attorneys for the Company and a duly authorized representative of the Company.

AGREED:

FOR DIEBOLD, INCORPORATED:

Date: 10/12/2013

By: _____
Henry D.G. Wallace
Chairman
DIEBOLD, INCORPORATED

Date: 10/15/2013

By: _____
Jonathan Leiken
Jones Day

FOR THE DEPARTMENT OF JUSTICE:

STEVEN M. DETTELBACH
United States Attorney
Northern District of Ohio

_____
Justin J. Roberts
Assistant U.S. Attorney

JEFFREY H. KNOX
Chief, Fraud Section
Criminal Division
U.S. Department of Justice

_____
Daniel S. Kahn
Trial Attorney

COMPANY OFFICER'S CERTIFICATE

I have read this Agreement and carefully reviewed every part of it with outside counsel for Diebold, Incorporated (the "Company"). I understand the terms of this Agreement and voluntarily agree, on behalf of the Company, to each of its terms. Before signing this Agreement, I consulted outside counsel for the Company. Counsel fully advised me of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into this Agreement.

I have carefully reviewed the terms of this Agreement with the Board of Directors of the Company. I have advised and caused outside counsel for the Company to advise the Board of Directors fully of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions, and of the consequences of entering into the Agreement.

No promises or inducements have been made other than those contained in this Agreement. Furthermore, no one has threatened or forced me, or to my knowledge any person authorizing this Agreement on behalf of the Company, in any way to enter into this Agreement. I am also satisfied with outside counsel's representation in this matter. I certify that I am the General Counsel for the Company and that I have been duly authorized by the Company to execute this Agreement on behalf of the Company.

Date: October 8, 2013

By: _____

Chad F. Hesse
General Counsel
Diebold, Incorporated

CERTIFICATE OF COUNSEL

I am counsel for Diebold, Incorporated (the "Company") in the matter covered by this Agreement. In connection with such representation, I have examined relevant Company documents and have discussed the terms of this Agreement with the Company Board of Directors. Based on our review of the foregoing materials and discussions, I am of the opinion that the representative of the Company has been duly authorized to enter into this Agreement on behalf of the Company and that this Agreement has been duly and validly authorized, executed, and delivered on behalf of the Company and is a valid and binding obligation of the Company. Further, I have carefully reviewed the terms of this Agreement with the Board of Directors and the General Counsel of the Company. I have fully advised them of the rights of the Company, of possible defenses, of the Sentencing Guidelines' provisions and of the consequences of entering into this Agreement. To my knowledge, the decision of the Company to enter into this Agreement, based on the authorization of the Board of Directors, is an informed and voluntary one.

Date: October 8, 2013

By: _____
Jonathan Leiken
Jones Day
Counsel for Diebold, Incorporated

ATTACHMENT A

STATEMENT OF FACTS

This Statement of Facts is incorporated by reference as part of the Deferred Prosecution Agreement (the "Agreement") between the United States Attorney's Office for the Northern District of Ohio and United States Department of Justice, Criminal Division, Fraud Section (collectively, the "Department") and Diebold, Incorporated ("DIEBOLD"). DIEBOLD hereby agrees and stipulates that the following information is true and accurate. DIEBOLD admits, accepts, and acknowledges that it is responsible for the acts of its officers, directors, employees, and agents as set forth below. Should the Department pursue the prosecution that is deferred by this Agreement, DIEBOLD agrees that it will neither contest the admissibility of, nor contradict, this Statement of Facts in any such proceeding.

If this matter were to proceed to trial, the Department would prove beyond a reasonable doubt, by admissible evidence, the facts alleged below and set forth in the criminal Information attached to this Agreement. This evidence would establish the following at all times relevant:

Relevant Entities and Individuals

1. DIEBOLD was headquartered in North Canton, Ohio, and was incorporated in Ohio. DIEBOLD issued and maintained a class of publicly traded securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934 (15 U.S.C. § 781), which traded on the New York Stock Exchange and, therefore, was an "issuer" within the meaning of the FCPA, 15 U.S.C. § 78dd-1(a). DIEBOLD was a global leader in providing integrated self-service delivery and security systems, including automated teller machines ("ATMs"), and services to primarily the financial, commercial, government, and retail markets. DIEBOLD operated, including

through its subsidiaries, in 90 countries around the world, including in the People's Republic of China, Russia, Ukraine, and Indonesia.

2. Executive A was a senior executive at DIEBOLD. Executive A held several positions, initially overseeing DIEBOLD's operations in the Asia Pacific region and later overseeing DIEBOLD's international operations.

3. Executive B was a vice president of DIEBOLD's Asia Pacific division. Executive B's responsibilities included overseeing DIEBOLD's operations in the Asia Pacific region.

4. Executive C was a high-level executive at DIEBOLD. Executive C's responsibilities included overseeing and approving due diligence efforts and acquisitions.

5. Employee A was an employee in DIEBOLD's Asia Pacific division. Employee A was involved in sales and customer relations in the Asia Pacific region.

6. Employee B was an employee in DIEBOLD's Asia Pacific division. Employee B was in the Finance Department responsible for the Asia Pacific region.

7. Employee C was a director of Corporate Development at DIEBOLD. Employee C's responsibilities included performing due diligence in connection with acquisitions by DIEBOLD.

8. Distributor 1 was a third-party distributor that entered into a distribution agreement with DIEBOLD to sell ATMs in various countries, including Ukraine. Distributor 1 was an "agent" of an issuer within the meaning of the FCPA, 15 U.S.C. § 78dd-1(a).

9. Distributor 2 was a third-party distributor that entered into a distribution agreement with DIEBOLD to sell ATMs in various countries, including Ukraine and Russia.

Distributor 2 was an "agent" of an issuer within the meaning of the FCPA, 15 U.S.C. § 78dd-1(a).

10. "Bank 1" was controlled and approximately 70% owned by the People's Republic of China. Bank 1 was one of several state-owned banks in the People's Republic of China that together maintained a monopoly over the banking system in the People's Republic of China and provided core support for the government's projects and economic goals. The government retained a controlling right in Bank 1, including appointing or nominating a majority of board of directors and top managers at the bank. Bank 1 was an "instrumentality" of a foreign government, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(f)(1). Bank 1 was a customer of DIEBOLD.

11. "Bank 2" was controlled and approximately 70% owned by the People's Republic of China. Bank 2 was one of several state-owned banks in the People's Republic of China that together maintained a monopoly over the banking system in the People's Republic of China and provided core support for the government's projects and economic goals. The government retained a controlling right in Bank 2, including appointing or nominating a majority of board of directors and top managers at the bank. Bank 2 was an "instrumentality" of a foreign government, as that term is used in the FCPA, Title 15, United States Code, Section 78dd-1(f)(1). Bank 2 was a customer of DIEBOLD.

Conduct in the People's Republic of China and Indonesia

12. DIEBOLD sold ATMs and provided ATM-related services to banks in China and Indonesia, including state-owned banks such as Bank 1 and Bank 2.

13. The contracts between DIEBOLD and the banks in China provided that DIEBOLD would train employees from the bank customers with respect to DIEBOLD's ATMs.

14. In order to secure and retain business with bank customers, including state-owned banks such as Bank 1 and Bank 2, Executive A, Executive B, Employee A, Employee B, and other DIEBOLD employees repeatedly provided things of value, including payments, gifts, and non-business travel for employees of the banks, totaling approximately $1.75 million over a five-year period.

15. Executive A, Executive B, Employee A, Employee B, and other DIEBOLD employees attempted to disguise the payments and benefits through various means, including by making payments through third-parties designated by the banks and by inaccurately recording leisure trips for bank employees as "training."

Conduct in Russia

16. DIEBOLD sold ATMs and provided ATM-related services to privately-owned banks in Russia. In connection with its sales efforts, DIEBOLD entered into a distribution agreement with Distributor 2.

17. From in or around 2005 to in or around 2009, DIEBOLD, through its employees and agents, together with others, created and entered into false contracts with Distributor 2 for services that Distributor 2 was not performing. Distributor 2, in turn, used the money that DIEBOLD paid to it, in part, to pay bribes to employees of DIEBOLD's privately-owned bank customers in Russia in order to obtain and retain contracts with those customers.

18. During this time period, in or around March 2007, in connection with due diligence being conducted by Employee C and other DIEBOLD employees for a potential

acquisition of Distributor 1 in Ukraine, Employee C and other DIEBOLD employees learned that Distributor 1 paid bribes to employees of bank customers to secure business.

19. On or about March 27, 2007, an employee in DIEBOLD's Corporate Development department sent an e-mail to other DIEBOLD employees, stating: "[Distributor 1] is involved in the practice of giving cash gifts to win their business. In order to record these special handouts, they over pay one of their suppliers [] in exchange for cash (equal to the over payment) and the cash so received is used to pay their clients."

20. On or about October 12, 2007, Employee C sent an e-mail to Executive C stating that Employee C and others were examining issues associated with Distributor 1, but that "I think you probably have a [Distributor 2] Risk, given what I know of the region."

21. DIEBOLD, however, continued to utilize Distributor 2 as its distributor in Russia, and continued to create fake contracts with Distributor 2 for services that Distributor 2 was not performing, and continued to make payments to Distributor 2 pursuant to those contracts.

The Bribery Scheme

22. From in or around 2005, and continuing through in or around 2010, in the Northern District of Ohio and elsewhere, the defendant, DIEBOLD, INCORPORATED, did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly conspire, confederate and agree with others, known and unknown, to commit an offense against the United States, that is, to willfully make use of the mails and means and instrumentalities of interstate commerce corruptly in furtherance of an offer, payment, promise to pay, and authorization of the payment of any money, offer, gift, promise to give, and authorization of the giving of anything of value, to a foreign official, and to a person, while knowing that all or a portion of such money

and thing of value would be and had been offered, given, and promised to a foreign official, for purposes of: (i) influencing acts and decisions of such foreign official in his or her official capacity; (ii) inducing such foreign official to do and omit to do acts in violation of the lawful duty of such official; (iii) securing an improper advantage; and (iv) inducing such foreign official to use his or her influence with a foreign government and agencies and instrumentalities thereof to affect and influence acts and decisions of such government and agencies and instrumentalities, in order to assist DIEBOLD and others in obtaining and retaining business for and with, and directing business to, DIEBOLD; and to knowingly falsify and cause to be falsified books, records, and accounts required to, in reasonable detail, accurately and fairly reflect the transactions and dispositions of DIEBOLD.

23. The purpose of the conspiracy was to obtain and retain contracts with state-owned and controlled bank customers in the Asia Pacific region on behalf of DIEBOLD, including Bank 1 and Bank 2, by making payments and giving other things of value, such as gifts and non-business travel expenses, to foreign officials employed by such customers, and concealing and disguising the payments by falsifying DIEBOLD's books and records.

24. DIEBOLD, through its executives and employees, discussed in person, via telephone, and via electronic mail ("e-mail") making payments and providing things of value to employees of bank customers in the Asia Pacific region, including state-owned and controlled customers, in order to obtain and retain for DIEBOLD contracts to install ATMs and provide related services.

25. DIEBOLD, through its executives and employees, together with others, offered to pay, promised to pay and authorized the payments and giving of things of value, directly and

indirectly, to and for the benefit of employees of state-owned and controlled bank customers in the Asia Pacific region in exchange for those foreign officials' assistance in ensuring the continued use of DIEBOLD ATMs and services with the state-owned and controlled bank customers by which they were employed.

26. DIEBOLD, through its executives and employees, together with others, attempted to conceal the payments, gifts and travel provided to employees of customers by, among other means, making payments through third party agents designated by bank customer employees and describing leisure trips as "training."

Details of the Bribery Scheme

27. On or about January 17, 2005, a DIEBOLD employee sent an e-mail to another DIEBOLD employee stating, "[W]e suggest we should prepare some payment card to the key person of HQ in [Bank 1 and another bank] so that we could make a good relationship with HQ."

28. On or about January 18, 2005, a DIEBOLD employee forwarded to Executive B the e-mail referenced in Paragraph 27 above, stating, "it is a big expense; we need your final approval!"

29. On or about January 18, 2005, Executive B responded to the e-mail referenced in Paragraph 28 above, and stated, "Do you think we need to narrow down the distribution list to a few key persons in [Bank 1]? I am OK to increase the amount for selected individuals. We only conduct similar activity at [Bank 2] to 5-6 key persons."

30. On or about January 18, 2005, after receiving an e-mail narrowing the list of bank officials to whom payments would be made, Executive B responded, "OK and I suggest we need to give more to [two individuals employed by Bank 1]."

31. On or about January 13, 2006, Employee A sent an e-mail to Executive B, stating, "Our team has made a China Spring Festival gift list for our [Bank 2 and two other banks] customers. Pls. review and approve it ASAP. We would like to do it next week."

32. On or about January 13, 2006, Executive B responded to the e-mail from Employee A referenced in Paragraph 31 above, stating, "The total amount is huge. Please provide me with the expenditure from these account [sic] last year for review."

33. On or about January 13, 2006, Employee A responded to the e-mail from Executive B referenced in Paragraph 32 above attaching a spreadsheet of the expenditures from 2005 and the proposed expenditures for 2006, including ¥ 27,500 RMB for 12 bank employees in 2005 and ¥ 55,000 RMB for 26 bank employees in 2006.

34. On or about May 22, 2007, Employee A sent an e-mail to Executive B, Employee B, and other Diebold employees regarding an overseas trip for employees of Bank 2, and stated, "Pls, make the answer and give us a solution as early as possible because [Bank 2's Shanghai office] push us to do it every day."

35. On or about May 25, 2007, Employee B responded to the e-mail string referenced in Paragraph 34 above, stating, "I think the point is we have to make the trip more training related. For example, the detail Itinerary showing no/minimized tourism schedule; the invitation letter showing strong reason why it should be oversea, [sic] etc. Once we get all evidence, we can have some argue [sic] points if any investigation comes."

36. On or about May 25, 2007, Executive B sent an e-mail to Employee A in response to Employee B's e-mail referenced in Paragraph 35 above, stating, "Please follow what [Employee B's] comments [sic] to handle this training."

37. On or about May 30, 2008, in connection with KPMG's audit of DIEBOLD in China and its attempt to obtain "more audit evidence about the overseas training provided to bank officers," and in response to a specific request from KPMG for the contact person in France involved in a training trip for Bank 2 officials, Executive B forwarded the request to a supervisor in DIEBOLD's office in France, and stated, "As you know, these days, many Chinese bankers like to conduct study trip [sic] in Europe to learn advanced banking services and also exchange idea [sic] with European banks. In most cases, Diebold France and/or previous Cassis plant helped us to prepare customer invitations and arrange needed activities for Chinese customers' study trip in France and other European countries. By the mail below, I want to seek your kind assistance to appoint one local contact person in Diebold France who can help us on the inquiry from outside audit, KPMG in this case. If receive [sic] inquiry, he or she needs to respond that Diebold France did assist Diebold China on the invitation preparation, program arrangement, and needed logistic assistance."

38. On or about May 30, 2008, Executive B forwarded to Executive A the e-mail Executive B had sent that same day to the supervisor in France, referenced in Paragraph 37 above, and stated, "The selected [Bank 2] Zhejiang case is just one of the formal training commitment [sic] we had with bank [sic] in previous contracts. Sometimes, our team in France only help [sic] on invitation regardless the rest of activities we are putting into the itinerary. In above selected case, even Diebold China didn't assign salesperson to participate in the trip. The request from KPMG is a formality during annual audit process, but it may be noisome if we doesn't [sic] handle it right. Please help us to have chat with [the France supervisor] to seek his support."

39. On or about May 30, 2008, Executive A responded to the e-mail from Executive B referenced in Paragraph 38 above, and stated, "Will do."

40. On or about October 14, 2008, Employee B drafted and sent to Employee B's supervisor a memorandum entitled, "China Commitment Accrual & Payment," in which Employee B discussed payments to third parties in connection with contracts with bank customers, writing, "The last item rings the bell. The bank customers aware that Diebold has accrued certain amount to the training fee based on the sales contract we signed with them. And they don't think they need any kind of training actually. They want the money but without booking into their ledger. As a solution, the Bank found a third party company, which may have some kind of relationship with the bank, but definitely no transaction with Diebold at all. This third party provides a bank account with a legal invoice issued to Diebold China, and Diebold made the payment directly to them. This process violates Chinese law and regulation and we have potential risk to be challenged by government [sic]. And the punishment is heavily related to business bribe. . . . When we went through the detail supporting documents of such payments, we noticed that these training [sic] were conducted oversea or in some domestic tourism cities. . . . Also, if we check our practice with the FCPA regulation, I should say that we have potential risk on this area."

ATTACHMENT B

CERTIFICATE OF CORPORATE RESOLUTIONS

WHEREAS, Diebold, Incorporated (the "Company") has been engaged in discussions with the United States Department of Justice, Criminal Division, Fraud Section (the "Department") regarding issues arising in relation to certain improper payments to foreign officials to facilitate the award of contracts and assist in obtaining business for the Company; and

WHEREAS, in order to resolve such discussions, it is proposed that the Company enter into a certain agreement with the Department; and

WHEREAS, the Company's General Counsel, Chad F. Hesse, together with outside counsel for the Company, have advised the Board of Directors of the Company of its rights, possible defenses, the Sentencing Guidelines' provisions, and the consequences of entering into such agreement with the Department;

Therefore, the Board of Directors has RESOLVED that:

1. The Company (a) acknowledges the filing of the two-count Information charging the Company with one count of conspiracy, 18 U.S.C. § 371, to violate the Foreign Corrupt Practices Act anti-bribery provisions, 15 U.S.C. § 78dd-1, and books and records provisions, 15 U.S.C. § 78m, and one count of violating the books and records provisions of the Foreign Corrupt Practices Act, 15 U.S.C. §§ 78m(b)(2), 78m(b)(5), and 78ff(a); (b) waives indictment on such charges and enters into a deferred prosecution agreement with the Department; and (c) agrees to accept monetary criminal penalties against Company totaling $25,200,000, and to pay a total of $25,200,000 to the United States Treasury with respect to the conduct described in the Information;

2. The Company accepts the terms and conditions of this Agreement, including, but not limited to, (a) a knowing waiver of its rights to a speedy trial pursuant to the Sixth Amendment to the United States Constitution, Title 18, United States Code, Section 3161, and Federal Rule of Criminal Procedure 48(b); and (b) a knowing waiver for purposes of this Agreement and any charges by the United States arising out of the conduct described in the attached Statement of Facts any objection with respect to venue and consents to the filing of the Information, as provided under the terms of this Agreement, in the United States District Court for the Northern District of Ohio; and (c) a knowing waiver of any defenses based on the statute of limitations for any prosecution relating to the conduct described in the attached Statement of Facts or relating to conduct known to the Department prior to the date on which this Agreement was signed that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement.

3. The General Counsel of Company, Chad F. Hesse, is hereby authorized, empowered and directed, on behalf of the Company, to execute the Deferred Prosecution Agreement substantially in such form as reviewed by this Board of Directors at this meeting with such changes as the General Counsel of Company, Chad F. Hesse, may approve;

4. The General Counsel of Company, Chad F. Hesse, is hereby authorized, empowered and directed to take any and all actions as may be necessary or appropriate and to approve the forms, terms or provisions of any agreement or other documents as may be necessary or appropriate, to carry out and effectuate the purpose and intent of the foregoing resolutions; and

5. All of the actions of the General Counsel of Company, Chad F. Hesse, which actions would have been authorized by the foregoing resolutions except that such actions were taken prior to the adoption of such resolutions, are hereby severally ratified, confirmed, approved, and adopted as actions on behalf of the Company.

Date: October 8, 2013

By: _____
Corporate Secretary
Diebold, Incorporated

ATTACHMENT C

CORPORATE COMPLIANCE PROGRAM

In order to address any deficiencies in its internal controls, compliance code, policies, and procedures regarding compliance with the Foreign Corrupt Practices Act ("FCPA"), 15 U.S.C. §§ 78dd-1, *et seq.*, and other applicable anti-corruption laws, Diebold, Incorporated (the "Company") agrees to continue to conduct, in a manner consistent with all of its obligations under this Agreement, appropriate reviews of its existing internal controls, policies, and procedures.

Where necessary and appropriate, the Company agrees to adopt new or to modify existing internal controls, compliance code, policies, and procedures in order to ensure that it maintains: (a) a system of internal accounting controls designed to ensure that the Company makes and keeps fair and accurate books, records, and accounts; and (b) a rigorous anti-corruption compliance code, policies, and procedures designed to detect and deter violations of the FCPA and other applicable anti-corruption laws. At a minimum, this should include, but not be limited to, the following elements to the extent they are not already part of the Company's existing internal controls, compliance code, policies, and procedures:

High-Level Commitment

1. The Company will ensure that its directors and senior management provide strong, explicit, and visible support and commitment to its corporate policy against violations of the anti-corruption laws and its compliance code.

Policies and Procedures

2. The Company will develop and promulgate a clearly articulated and visible corporate policy against violations of the FCPA and other applicable foreign law counterparts

(collectively, the "anti-corruption laws,"), which policy shall be memorialized in a written compliance code.

3. The Company will develop and promulgate compliance policies and procedures designed to reduce the prospect of violations of the anti-corruption laws and the Company's compliance code, and the Company will take appropriate measures to encourage and support the observance of ethics and compliance policies and procedures against violation of the anti-corruption laws by personnel at all levels of the Company. These anti-corruption policies and procedures shall apply to all directors, officers, and employees and, where necessary and appropriate, outside parties acting on behalf of the Company in a foreign jurisdiction, including but not limited to, agents and intermediaries, consultants, representatives, distributors, teaming partners, contractors and suppliers, consortia, and joint venture partners (collectively, "agents and business partners"). The Company shall notify all employees that compliance with the policies and procedures is the duty of individuals at all levels of the company. Such policies and procedures shall address:

a. gifts;

b. hospitality, entertainment, and expenses;

c. customer travel;

d. political contributions;

e. charitable donations and sponsorships;

f. facilitation payments; and

g. solicitation and extortion.

4. The Company will ensure that it has a system of financial and accounting procedures, including a system of internal controls, reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts. This system should be designed to provide reasonable assurances that:

a. transactions are executed in accordance with management's general or specific authorization;

b. transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for assets;

c. access to assets is permitted only in accordance with management's general or specific authorization; and

d. the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Periodic Risk-Based Review

5. The Company will develop these compliance policies and procedures on the basis of a risk assessment addressing the individual circumstances of the Company, in particular the foreign bribery risks facing the Company, including, but not limited to, its geographical organization, interactions with various types and levels of government officials, industrial sectors of operation, involvement in joint venture arrangements, importance of licenses and permits in the Company's operations, degree of governmental oversight and inspection, and volume and importance of goods and personnel clearing through customs and immigration.

6. The Company shall review its anti-corruption compliance policies and procedures no less than annually and update them as appropriate to ensure their continued effectiveness, taking into account relevant developments in the field and evolving international and industry standards.

Proper Oversight and Independence

7. The Company will assign responsibility to one or more senior corporate executives of the Company for the implementation and oversight of the Company's anti-corruption compliance code, policies, and procedures. Such corporate official(s) shall have direct reporting obligations to independent monitoring bodies, including internal audit, the Company's Board of Directors, or any appropriate committee of the Board of Directors, and shall have an adequate level of autonomy from management as well as sufficient resources and authority to maintain such autonomy.

Training and Guidance

8. The Company will implement mechanisms designed to ensure that its anti-corruption compliance code, policies, and procedures are effectively communicated to all directors, officers, employees, and, where necessary and appropriate, agents and business partners. These mechanisms shall include: (a) periodic training for all directors and officers, all employees in positions of leadership or trust, positions that require such training (e.g., internal audit, sales, legal, compliance, finance), or positions that otherwise pose a corruption risk to the Company, and, where necessary and appropriate, agents and business partners; and (b) annual certifications by all such directors, officers, employees, agents, and business partners, certifying compliance with the training requirements.

9. The Company will maintain, or where necessary establish, an effective system for providing guidance and advice to directors, officers, employees, and, where necessary and appropriate, agents and business partners, on complying with the Company's anti-corruption compliance code, policies, and procedures, including when they need advice on an urgent basis or in any foreign jurisdiction in which the Company operates.

Internal Reporting and Investigation

10. The Company will maintain, or where necessary establish, an effective system for internal and, where possible, confidential reporting by, and protection of, directors, officers, employees, and, where appropriate, agents and business partners concerning violations of the anti-corruption laws or the Company's anti-corruption compliance code, policies, and procedures.

11. The Company will maintain, or where necessary establish, an effective and reliable process with sufficient resources for responding to, investigating, and documenting allegations of violations of the anti-corruption laws or the Company's anti-corruption compliance code, policies, and procedures.

Enforcement and Discipline

12. The Company will implement mechanisms designed to effectively enforce its compliance code, policies, and procedures, including appropriately incentivizing compliance and disciplining violations.

13. The Company will institute appropriate disciplinary procedures to address, among other things, violations of the anti-corruption laws and the Company's anti-corruption compliance code, policies, and procedures by the Company's directors, officers, and employees.

Such procedures should be applied consistently and fairly, regardless of the position held by, or perceived importance of, the director, officer, or employee. The Company shall implement procedures to ensure that where misconduct is discovered, reasonable steps are taken to remedy the harm resulting from such misconduct, and to ensure that appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls, compliance code, policies, and procedures and making modifications necessary to ensure the overall anti-corruption compliance program is effective.

Third-Party Relationships

14. The Company will institute appropriate due diligence and compliance requirements pertaining to the retention and oversight of all agents and business partners, including:

a. properly documented risk-based due diligence pertaining to the hiring and appropriate and regular oversight of agents and business partners;

b. informing agents and business partners of the Company's commitment to abiding by anti-corruption laws, and of the Company's anti-corruption compliance code, policies, and procedures; and

c. seeking a reciprocal commitment from agents and business partners.

15. Where necessary and appropriate, the Company will include standard provisions in agreements, contracts, and renewals thereof with all agents and business partners that are reasonably calculated to prevent violations of the anti-corruption laws, which may, depending upon the circumstances, include: (a) anti-corruption representations and undertakings relating to compliance with the anti-corruption laws; (b) rights to conduct audits of the books and records of

the agent or business partner to ensure compliance with the foregoing; and (c) rights to terminate an agent or business partner as a result of any breach of the anti-corruption laws, the Company's compliance code, policies, or procedures, or the representations and undertakings related to such matters.

Mergers and Acquisitions

16. The Company will develop and implement policies and procedures for mergers and acquisitions requiring that the Company conduct appropriate risk-based due diligence on potential new business entities, including appropriate FCPA and anti-corruption due diligence by legal, accounting, and compliance personnel. If the Company discovers any corrupt payments or inadequate internal controls as part of its due diligence of newly acquired entities or entities merged with the Company, it shall report such conduct to the Department.

17. The Company will ensure that the Company's compliance code, policies, and procedures regarding the anti-corruption laws apply as quickly as is practicable to newly acquired businesses or entities merged with the Company and will promptly:

a. train the directors, officers, employees, agents, and business partners consistent with Paragraph 8 above on the anti-corruption laws and the Company's compliance code, policies, and procedures regarding anti-corruption laws; and

b. conduct an FCPA-specific audit of all newly acquired or merged businesses as quickly as practicable.

Monitoring and Testing

18. The Company will conduct periodic reviews and testing of its anti-corruption compliance code, policies, and procedures designed to evaluate and improve their effectiveness

in preventing and detecting violations of anti-corruption laws and the Company's anti-corruption code, policies, and procedures, taking into account relevant developments in the field and evolving international and industry standards.

ATTACHMENT D

INDEPENDENT COMPLIANCE MONITOR

The duties and authority of the Independent Compliance Monitor (the "Monitor"), and the obligations of DIEBOLD, INC. (the "Company"), on behalf of itself and its subsidiaries and affiliates, with respect to the Monitor and the Department of Justice (the "Department"), are as described below:

1. The Company will retain the Monitor for a period of not less than eighteen (18) months (the "Term of the Monitorship"), unless the early termination provision of Paragraph 4 of the Deferred Prosecution Agreement (the "Agreement") is triggered. Subject to certain conditions specified below that would, in the sole discretion of the Department, allow for an extension of the Term of the Monitorship, the Monitor shall be retained until the criteria in Paragraphs 19-21 below are satisfied or the Agreement expires, whichever occurs first.

Monitor's Mandate

2. The Monitor's primary responsibility is to assess and monitor the Company's compliance with the terms of the Agreement, including the Corporate Compliance Program in Attachment C, so as to specifically address and reduce the risk of any recurrence of the Company's misconduct. During the Term of the Monitorship, the Monitor will evaluate, in the manner set forth below, the effectiveness of the internal accounting controls, record-keeping, and financial reporting policies and procedures of the Company as they relate to the Company's current and ongoing compliance with the FCPA and other applicable anti-corruption laws (collectively, the "anti-corruption laws") and take such reasonable steps as, in his or her view, may be necessary to fulfill the foregoing mandate (the "Mandate"). This Mandate shall include

an assessment of the Board of Directors' and senior management's commitment to, and effective implementation of, the corporate compliance program described in Attachment C of the Agreement.

Company's Obligations

3. The Company shall cooperate fully with the Monitor, and the Monitor shall have the authority to take such reasonable steps as, in his or her view, may be necessary to be fully informed about the Company's compliance program in accordance with the principles set forth herein and applicable law, including applicable data protection and labor laws and regulations. To that end, the Company shall: facilitate the Monitor's access to the Company's documents and resources; not limit such access, except as provided in Paragraphs 5-6; and provide guidance on applicable local law (such as relevant data protection and labor laws). The Company shall provide the Monitor with access to all information, documents, records, facilities, and employees, as reasonably requested by the Monitor, that fall within the scope of the Mandate of the Monitor under the Agreement. The Company shall use its best efforts to provide the Monitor with access to the Company's former employees and its third-party vendors, agents, and consultants.

4. Any disclosure by the Company to the Monitor concerning corrupt payments, false books and records, and internal accounting control failures shall not relieve the Company of any otherwise applicable obligation to truthfully disclose such matters to the Department, pursuant to the Agreement.

Withholding Access

5. The parties agree that no attorney-client relationship shall be formed between the Company and the Monitor. In the event that the Company seeks to withhold from the Monitor access to information, documents, records, facilities, or current or former employees of the Company that may be subject to a claim of attorney-client privilege or to the attorney work-product doctrine, or where the Company reasonably believes production would otherwise be inconsistent with applicable law, the Company shall work cooperatively with the Monitor to resolve the matter to the satisfaction of the Monitor.

6. If the matter cannot be resolved, at the request of the Monitor, the Company shall promptly provide written notice to the Monitor and the Department. Such notice shall include a general description of the nature of the information, documents, records, facilities or current or former employees that are being withheld, as well as the legal basis for withholding access. The Department may then consider whether to make a further request for access to such information, documents, records, facilities, or employees.

Monitor's Coordination with the Company and Review Methodology

7. In carrying out the Mandate, to the extent appropriate under the circumstances, the Monitor should coordinate with Company personnel, including in-house counsel, compliance personnel, and internal auditors, on an ongoing basis. The Monitor may rely on the product of the Company's processes, such as the results of studies, reviews, sampling and testing methodologies, audits, and analyses conducted by or on behalf of the Company, as well as the Company's internal resources (e.g., legal, compliance, and internal audit), which can assist the

Monitor in carrying out the Mandate through increased efficiency and Company-specific expertise, provided that the Monitor has confidence in the quality of those resources.

8. The Monitor's reviews should use a risk-based approach, and thus, the Monitor is not expected to conduct a comprehensive review of all business lines, all business activities, or all markets. In carrying out the Mandate, the Monitor should consider, for instance, risks presented by: (a) the countries and industries in which the Company operates; (b) current and future business opportunities and transactions; (c) current and potential business partners, including third parties and joint ventures, and the business rationale for such relationships; (d) the Company's gifts, travel, and entertainment interactions with foreign officials; and (e) the Company's involvement with foreign officials, including the amount of foreign government regulation and oversight of the Company, such as licensing and permitting, and the Company's exposure to customs and immigration issues in conducting its business affairs.

9. In undertaking the reviews to carry out the Mandate, the Monitor shall formulate conclusions based on, among other things: (a) inspection of relevant documents, including the Company's current anti-corruption policies and procedures; (b) on-site observation of selected systems and procedures of the Company at sample sites, including internal accounting controls, record-keeping, and internal audit procedures; (c) meetings with, and interviews of, relevant current and, where appropriate, former directors, officers, employees, business partners, agents, and other persons at mutually convenient times and places; and (d) analyses, studies, and testing of the Company's compliance program.

Monitor's Written Work Plans

10. To carry out the Mandate, during the Term of the Monitorship, the Monitor shall conduct an initial review and prepare an initial report, followed by at least one follow-up review and report as described in Paragraphs 16-18 below. With respect to the initial report, after consultation with the Company and the Department, the Monitor shall prepare the first written work plan within thirty (30) calendar days of being retained, and the Company and the Department shall provide comments within thirty (30) calendar days after receipt of the written work plan. With respect to each follow-up report, after consultation with the Company and the Department, the Monitor shall prepare a written work plan at least thirty (30) calendar days prior to commencing a review, and the Company and the Department shall provide comments within twenty (20) calendar days after receipt of the written work plan. Any disputes between the Company and the Monitor with respect to any written work plan shall be decided by the Department in its sole discretion.

11. All written work plans shall identify with reasonable specificity the activities the Monitor plans to undertake in execution of the Mandate, including a written request for documents. The Monitor's work plan for the initial review shall include such steps as are reasonably necessary to conduct an effective initial review in accordance with the Mandate, including by developing an understanding, to the extent the Monitor deems appropriate, of the facts and circumstances surrounding any violations that may have occurred before the date of the Agreement. In developing such understanding the Monitor is to rely to the extent possible on available information and documents provided by the Company. It is not intended that the

Monitor will conduct his or her own inquiry into the historical events that gave rise to the Agreement.

Initial Review

12. The initial review shall commence no later than ninety (90) calendar days from the date of the engagement of the Monitor (unless otherwise agreed by the Company, the Monitor, and the Department). The Monitor shall issue a written report within ninety (90) calendar days of commencing the initial review, setting forth the Monitor's assessment and, if necessary, making recommendations reasonably designed to improve the effectiveness of the Company's program for ensuring compliance with the anti-corruption laws. The Monitor should consult with the Company concerning his or her findings and recommendations on an ongoing basis and should consider the Company's comments and input to the extent the Monitor deems appropriate. The Monitor may also choose to share a draft of his or her reports with the Company prior to finalizing them. The Monitor's reports need not recite or describe comprehensively the Company's history or compliance policies, procedures and practices, but rather may focus on those areas with respect to which the Monitor wishes to make recommendations, if any, for improvement or which the Monitor otherwise concludes merit particular attention. The Monitor shall provide the report to the Board of Directors of the Company and contemporaneously transmit copies to the Deputy Chief – FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, at 1400 New York Avenue N.W., Bond Building, Eleventh Floor, Washington, D.C. 20005. After consultation with the Company, the Monitor may extend the time period for issuance of the initial report for a brief period of time with prior written approval of the Department.

13. Within ninety (90) calendar days after receiving the Monitor's initial report, the Company shall adopt and implement all recommendations in the report, unless, within thirty (30) calendar days of receiving the report, the Company notifies in writing the Monitor and the Department of any recommendations that the Company considers unduly burdensome, inconsistent with applicable law or regulation, impractical, excessively expensive, or otherwise inadvisable. With respect to any such recommendation, the Company need not adopt that recommendation within the ninety (90) calendar days of receiving the report but shall propose in writing to the Monitor and the Department an alternative policy, procedure, or system designed to achieve the same objective or purpose. As to any recommendation on which the Company and the Monitor do not agree, such parties shall attempt in good faith to reach an agreement within thirty (30) calendar days after the Company serves the written notice.

14. In the event the Company and the Monitor are unable to agree on an acceptable alternative proposal, the Company shall promptly consult with the Department. The Department may consider the Monitor's recommendation and the Company's reasons for not adopting the recommendation in determining whether the Company has fully complied with its obligations under the Agreement. Pending such determination, the Company shall not be required to implement any contested recommendation(s).

15. With respect to any recommendation that the Monitor determines cannot reasonably be implemented within ninety (90) calendar days after receiving the report, the Monitor may extend the time period for implementation with prior written approval of the Department.

Follow-Up Review

16. The follow-up review shall commence no later than one hundred-twenty (120) calendar days after the issuance of the initial report (unless otherwise agreed by the Company, the Monitor and the Department). The Monitor shall issue a written follow-up report within ninety (90) calendar days of commencing the follow-up review, setting forth the Monitor's assessment and, if necessary, making recommendations in the same fashion as set forth in Paragraph 12 with respect to the initial review. The Monitor shall also certify whether the Company's compliance program, including its policies and procedures, is reasonably designed and implemented to prevent and detect violations of the anti-corruption laws. After consultation with the Company, the Monitor may extend the time period for issuance of the follow-up report for a brief period of time with prior written approval of the Department.

17. Within ninety (90) calendar days after receiving the Monitor's follow-up report, the Company shall adopt and implement all recommendations in the report, unless, within thirty (30) calendar days after receiving the report, the Company notifies in writing the Monitor and the Department concerning any recommendations that the Company considers unduly burdensome, inconsistent with applicable law or regulation, impractical, excessively expensive, or otherwise inadvisable. With respect to any such recommendation, the Company need not adopt that recommendation within the ninety (90) calendar days of receiving the report but shall propose in writing to the Monitor and the Department an alternative policy, procedure, or system designed to achieve the same objective or purpose. As to any recommendation on which the Company and the Monitor do not agree, such parties shall attempt in good faith to reach an agreement within thirty (30) calendar days after the Company serves the written notice.

18. In the event the Company and the Monitor are unable to agree on an acceptable alternative proposal, the Company shall promptly consult with the Department. The Department may consider the Monitor's recommendation and the Company's reasons for not adopting the recommendation in determining whether the Company has fully complied with its obligations under the Agreement. Pending such determination, the Company shall not be required to implement any contested recommendation(s).

Certification of Compliance
and Termination of the Monitorship

19. At the conclusion of the ninety (90) calendar day period following the issuance of the follow-up report, if the Monitor believes that the Company's compliance program is reasonably designed and implemented to detect and prevent violations of the anti-corruption laws and is functioning effectively, the Monitor shall certify the Company's compliance with its compliance obligations under the Agreement. The Monitor and the Company shall then submit to the Department a written report ("Certification Report") within sixty (60) calendar days. The Certification Report shall set forth a complete description of the Company's remediation efforts to date, including the implementation status of the Monitor's recommendations, and an assessment of the sustainability of the Company's remediation efforts. The Certification Report should also recommend the scope of the Company's future self-reporting. The Monitor and the Company may extend the time period for issuance of the Certification Report with prior written approval of the Department.

20. At such time as the Department approves the Certification Report, the monitorship shall be terminated, and the Company will be permitted to self-report to the Department on its enhanced compliance obligations for the remainder of the term of the

Agreement. The Department, however, reserves the right to terminate the monitorship absent certification by the Monitor, upon a showing by the Company that termination is, nevertheless, in the interests of justice.

21. If permitted to self-report to the Department, the Company shall thereafter submit to the Department a written report every six (6) months setting forth a complete description of its remediation efforts to date, its proposals to improve the Company's internal accounting controls, policies, and procedures for ensuring compliance with the anti-corruption laws, and the proposed scope of the subsequent reviews. The report shall be transmitted to the Deputy Chief – FCPA Unit, Fraud Section, Criminal Division, U.S. Department of Justice, 1400 New York Avenue, N.W., Bond Building, Eleventh Floor, Washington, D.C. 20005. The Company may extend the time period for issuance of the self-report with prior written approval of the Department.

Extension of the Term of the Monitorship

22. If, however, at the conclusion of the ninety (90) calendar-day period following the issuance of the follow-up report, the Department concludes that the Company has not by that time successfully satisfied its compliance obligations under the Agreement, the Term of the Monitorship shall be extended for one year.

23. Under such circumstances, the Monitor shall commence the second follow-up review no later than one hundred fifty (150) calendar days after the issuance of the follow-up report (unless otherwise agreed by the Company, the Monitor, and the Department). The Monitor shall issue a written follow-up report within ninety (90) calendar days of commencing the second follow-up review in the same fashion as set forth in Paragraph 12 with respect to the initial review and in accordance with the procedures for follow-up reports set forth in Paragraphs

16-18. A determination to terminate the monitorship shall then be made in accordance with Paragraphs 19-21.

24. If, after completing the second follow-up review, the Department again concludes that the Company has not successfully satisfied its obligations under the Agreement with respect to the Monitor's Mandate, the Term of the Monitorship shall be extended until expiration of the Agreement, and the Monitor shall commence a third follow-up review within one hundred twenty (120) calendar days after the issuance of the second follow-up report (unless otherwise agreed by the Company, the Monitor, and the Department). The Monitor shall issue a written follow-up report within ninety (90) calendar days of commencing the third follow-up review in the same fashion as set forth in Paragraph 12 with respect to the initial review and in accordance with the procedures for follow-up reports set forth in Paragraphs 16-18.

Monitor's Discovery of Misconduct

25. Should the Monitor, during the course of his or her engagement, discover that:

- corrupt or otherwise suspicious payments (or transfers of property or interests) may have been offered, promised, made, or authorized by any entity or person within the Company or any entity or person working, directly or indirectly, for or on behalf of the Company; or
- false books and records may have been maintained by the Company

either (a) after the date on which this Agreement was signed or (b) that have not been adequately dealt with by the Company (collectively "improper activities"), the Monitor shall promptly report such improper activities to the Company's General Counsel, Chief Compliance Officer, and/or Audit Committee for further action. If the Monitor believes that any improper activities

may constitute a violation of law, the Monitor also shall report such improper activities to the Department. The Monitor should disclose improper activities in his or her discretion directly to the Department, and not to the Company, only if the Monitor believes that disclosure to the Company would be inappropriate under the circumstances, and in such case should disclose the improper activities to the General Counsel, Chief Compliance Officer, and/or the Audit Committee of the Company as promptly and completely as the Monitor deems appropriate under the circumstances. The Monitor shall address in his or her reports the appropriateness of the Company's response to all improper activities, whether previously disclosed to the Department or not. Further, in the event that the Company, or any entity or person working directly or indirectly for or on behalf of the Company, withholds information necessary for the performance of the Monitor's responsibilities, if the Monitor believes that such withholding is without just cause, the Monitor shall disclose that fact to the Department. The Company shall not take any action to retaliate against the Monitor for any such disclosures or for any other reason. The Monitor may report any criminal or regulatory violations by the Company or any other entity discovered in the course of performing his or her duties, in the same manner as described above.

Meetings During Pendency of Monitorship

26. The Monitor shall meet with the Department within thirty (30) calendar days after providing each report to the Department to discuss the report, to be followed by a meeting between the Department, the Monitor, and the Company.

27. At least annually, and more frequently if appropriate, representatives from the Company and the Department will meet together to discuss the monitorship and any suggestions,

comments, or improvements the Company may wish to discuss with or propose to the Department, including with respect to the scope or costs of the monitorship.

Contemplated Confidentiality of Monitor's Reports

28. The reports will likely include proprietary, financial, confidential, and competitive business information. Moreover, public disclosure of the reports could discourage cooperation, or impede pending or potential government investigations and thus undermine the objectives of the monitorship. For these reasons, among others, the reports and the contents thereof are intended to remain and shall remain non-public, except as otherwise agreed to by the parties in writing, or except to the extent that the Department determines in its sole discretion that disclosure would be in furtherance of the Department's discharge of its duties and responsibilities or is otherwise required by law.