



U.S. Department of Justice

Criminal Division

Washington, D.C. 20530

December 3, 2004

Brad D. Brian, Esq.
Munger, Tolles & Olson LLP
355 South Grand Avenue, 35th Floor
Los Angeles, CA 90071

Re: General Electric Company and InVision Technologies, Inc.

Dear Counsel:

This letter sets forth the agreement between the United States Department of Justice, Criminal Division, Fraud Section (the "Department"), and your client, General Electric Company ("GE") (the "GE Agreement"). The GE Agreement is entered as of the date reflected above and shall become effective as of the Effective Time, as that term is defined in the Agreement and Plan of Merger dated as of March 15, 2004, as amended from time to time, among GE, Jet Acquisition Sub, Inc., and InVision Technologies, Inc. ("InVision" and, as to the agreement, the "Merger Agreement").

1. Introduction

In an agreement dated December 3, 2004, between the Department and InVision (the "InVision Agreement," incorporated herein by reference), the Department agreed not to prosecute InVision under the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-1 *et seq.* ("FCPA") or under any other federal criminal statutes that may be the basis for an alternative charge to the FCPA (including 18 U.S.C. sections 2, 3, 4, 371, 1341, 1343, 1952, 1956 and 1957) for conduct that potentially violates the FCPA based on certain foreign transactions and attempted transactions conducted by InVision in the Kingdom of Thailand, the People's Republic of China and the Republic of the Philippines (the "Foreign Transactions," which are described in **Appendices A and B** of the InVision Agreement) or any other foreign transactions or events disclosed in writing by InVision or GE to the Department and the Securities and Exchange Commission ("SEC") on or before the Effective Date of the InVision Agreement (the "Effective Date"), subject to certain terms and conditions set forth in the InVision Agreement. The GE Agreement establishes the rights and obligations of GE with respect to the Department relative to the InVision Agreement, should the Effective Time occur. The GE Agreement shall be null and void and of no effect if the Effective Time does not occur; provided, however, that the failure of the GE Agreement to become effective shall not affect the continuing validity of the InVision Agreement.



2. Criminal Liability and Acceptance of Responsibility

In consideration for (a) the past and continuing cooperation provided by GE to the Department during the Department's investigation of InVision, (b) GE's agreement to assume the InVision Agreement and be bound by its terms (except Section D, relating to establishment of an FCPA compliance monitor ("Monitor") at InVision in the event that the Effective Time does not occur prior to January 1, 2005), and (c) GE's incorporation of the InVision subsidiary into GE's existing corporate compliance program (which GE warrants and represents includes policies and procedures designed to comply with the FCPA), the Department agrees that, except for prosecutions for violations of Title 26 of the United States Code, it will not prosecute GE or any successor or subsidiary (including InVision, following its acquisition by GE, unless InVision is subject to prosecution under the terms of the InVision Agreement), under the FCPA or under any other federal criminal statutes that may be the basis for an alternative charge to the FCPA (including 18 U.S.C. sections 2, 3, 4, 371, 1341, 1343, 1952, 1956 and 1957) for conduct that potentially violates the FCPA based on the Foreign Transactions or any other foreign transactions or events disclosed in writing by InVision or GE to the Department and the SEC on or before the Effective Date.

GE agrees that (a) InVision shall remain a separate legal entity subject to investigation and prosecution for so long as the InVision Agreement remains in effect, and (b) if the InVision Agreement is terminated for knowing, willful material breach pursuant to Section F of the InVision Agreement, then GE shall, for a period of not less than one-hundred eighty (180) calendar days after the date of termination for breach, cause InVision to remain a legal entity subject to investigation and prosecution under the terms of the InVision Agreement. Based upon its factual understandings as of the date of entry of this GE Agreement, GE accepts that the statements set forth in **Appendix A** (standing alone or as interpreted through **Appendix B**) are materially accurate and agrees that GE will not publicly contradict those statements.

3. Conditions Precedent

The participation of the Department in this GE Agreement is conditioned upon GE's performance of the following obligations:

- a. GE's agreement to the terms set forth in section 2 above;
- b. GE's agreement, following the acquisition of InVision, to cause the full performance by InVision of InVision's obligations under the InVision Agreement;



- c. The provision of full and truthful cooperation by GE to the Department and SEC as more fully described in section 4 of this GE Agreement; and
- d. GE's agreement to retain and pay for an Independent Consultant who shall evaluate the efficacy of, and report to the Department on, GE's integration of InVision into GE's FCPA compliance program, as more fully described in section 5 of this GE Agreement.

If GE knowingly and willfully fails to comply with any of these conditions, the Department may terminate this GE Agreement as set forth below and may also prosecute GE for any and all offenses, if any, that could be charged against it.

4. Cooperation with Law Enforcement

The obligation of GE referenced in section 3(c) above to cooperate means that GE shall undertake all of the duties imposed upon it in this section 4.

GE agrees to cooperate fully with the Criminal Division of the United States Department of Justice (including the Department) and any United States Attorney's Office (collectively, the "DOJ"), the SEC, the Independent Consultant and, as directed by the Department, any other federal, state or foreign law enforcement or regulatory agency with respect to the Foreign Transactions and any matters relating to any other transactions or events that have been or are discovered by, or brought to the attention of, the Department or SEC in connection with the Department's investigation of InVision (the "Subject Matters") during the term of the GE Agreement. This cooperation requires that GE:

- a. undertake an affirmative duty of full and truthful disclosure. GE shall voluntarily and truthfully disclose to the DOJ and the SEC all information (in any form or medium, including documents) respecting the activities of InVision or GE and its present and former directors, officers, employees, agents, distributors, attorneys and affiliates relating to the Subject Matters about which the DOJ or the SEC shall inquire or which GE reasonably believes is material to the investigation of the DOJ or the SEC into the Subject Matters;
- b. produce voluntarily, at the request of the DOJ or the SEC, all documents, records, or other tangible evidence relating to the Subject Matters;
- c. recommend orally and in writing that any of its directors, officers, employees, agents, distributors, attorneys and affiliates who may have been involved in the Subject Matters, and whose cooperation is requested by the DOJ or the SEC, cooperate fully (including by



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appearing for interviews and testimony) with (1) any investigation conducted by the DOJ or the SEC with respect to the Subject Matters, or (2) any prosecution of individuals (including without limitation directors, officers or employees of GE or InVision who are not defendants in the prosecution) or entities other than GE or InVision and their respective subsidiaries and affiliates, with respect to the Subject Matters;

d. provide access to copies of original documents and records related to the Subject Matters;

e. provide access to the outside accounting and legal consultants of GE whose work includes or relates to the Subject Matters, as well as the records, reports, and documents of those outside consultants related to the Subject Matters (except materials protected from disclosure by privilege or the work product doctrine, subject to GE's agreement in 4(f) below); and

f. not assert a claim of attorney-client or work-product privilege as to any memoranda of witness interviews (including exhibits thereto) and documents created contemporaneously with and related to the Foreign Transactions or with and related to other transactions or events underlying the Subject Matters (including, but not limited to, transactional documents and emails, but excluding any advice or attorney work-product relating to or given in connection with the investigation by InVision or GE, or the investigations conducted by the Department and the SEC). In making production of any such documents, GE neither expressly nor implicitly waives its right to assert any privilege that is available under law against persons or entities other than the DOJ or the SEC concerning the produced documents or the subject matters thereof.

5. Independent Consultant

The obligation of GE referenced in section 3(d) above respecting the Independent Consultant means that GE shall undertake all of the duties imposed upon it in this section 5.

GE agrees that, within sixty (60) calendar days of the Effective Time, GE shall retain and pay for an Independent Consultant, which Independent Consultant shall be acceptable to the Department. The Independent Consultant shall:

a. evaluate the efficacy of the integration by GE of InVision into GE's existing FCPA compliance program, including but not limited to the implementation of FCPA training for appropriate InVision employees; and



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b. within one-hundred and eighty calendar days (180) of the Effective Time, report to the Department (with a copy of any written report being provided to GE pursuant to section 11 below) regarding GE's efforts to comply with section 5(a) above.

It shall be a condition of GE's retention of the Independent Consultant that the Independent Consultant is independent of GE and InVision, and that no attorney-client relationship shall be formed between the Independent Consultant, on the one hand, and GE or InVision, on the other hand; provided, however, that the Independent Consultant, with GE's agreement, may make use of GE Corporate Audit Staff resources in connection with the Independent Consultant's evaluation or other services provided pursuant to this section 5. If GE, InVision, the Independent Consultant or any other party or tribunal asserts or determines that communications between GE or InVision on the one hand, and the Independent Consultant on the other hand, are protected by the attorney-client privilege or that documents created or reviewed in connection with the Independent Consultant's work are protected by the work product doctrine, then GE and InVision shall waive as to the DOJ and SEC any protections afforded to such communications and documents. Any revocation of such a waiver shall constitute a breach of the GE Agreement. The sharing of such communications by the Independent Consultant with the DOJ and SEC is not intended to constitute a waiver of any privilege under any federal or state law that would shield from disclosure to any third party any such communications.

GE agrees that the Independent Consultant may extend his or her duties up to an additional six (6) months beyond the date of the six-month report if the Department determines, in its sole reasonable discretion, that the extended term is necessary to ensure GE's compliance with section 5(a) above.

6. Breach of the GE Agreement

If during the term of the GE Agreement, the Department determines, in its sole reasonable discretion, that GE has committed a knowing, willful material breach of any provision of this GE Agreement (including, as determined in the Department's sole reasonable discretion, whether GE has knowingly and willfully failed to perform the duties imposed upon it in section 5 above respecting the Independent Consultant), the Department may, at its sole reasonable discretion, elect to terminate this GE Agreement (except as expressly provided pursuant to section 7 below) by notifying GE, through counsel or otherwise, in writing as specified in section 11 below.

GE expressly acknowledges the terms of paragraph 21 of the InVision Agreement, and agrees that GE will not, in any manner, interfere with or contest, or cause InVision to interfere



with or contest, the enforcement of that paragraph by the Department.

7. Waiver of Statute of Limitations and Cure of Breach

With respect to any prosecutions under the FCPA or under any other federal criminal statutes that may be the basis for an alternative charge to the FCPA (including 18 U.S.C. sections 2, 3, 4, 371, 1341, 1343, 1952, 1956 and 1957) for conduct that potentially violates the FCPA based on the Foreign Transactions or any other foreign transactions or events disclosed in writing by InVision or GE to the Department and the SEC on or before the Effective Date which are not time-barred by the applicable statute of limitations as of the Effective Date, GE agrees that the applicable statute of limitation period for any such prosecutions shall be tolled for a period of time equal to the term of the GE Agreement (or, in the event of termination pursuant to section 6 above, the date of notice of such termination), so that such prosecutions may be commenced against GE in accordance with the GE Agreement, notwithstanding the expiration of the statute of limitations between the Effective Date and expiration of this GE Agreement (or, in the event of termination pursuant to section 6 above, the date of notice of such termination). GE's tolling of the statute of limitations is knowing and voluntary and in express reliance on the advice of counsel.

Should the Department determine that GE has committed a knowing, willful and material breach of any provision of the GE Agreement, the Department shall provide written notice to GE pursuant to section 11 below of the alleged breach, and GE shall have twenty-one (21) calendar days from the date of that written notice in which to make a presentation to the Assistant Attorney General in charge of the Criminal Division of the Department of Justice to demonstrate that no breach has occurred, or, to the extent applicable, that the breach is not a knowing, willful material breach or has been cured. Should GE fail to make a presentation to the Assistant Attorney General in charge of the Criminal Division within the twenty-one (21) calendar day period or such additional period upon which the parties agree in writing, it shall be conclusively presumed that GE is in knowing, willful and material breach of the GE Agreement.

The parties further understand and agree that the Assistant Attorney General's exercise of discretion under this section is not subject to review in any court or tribunal outside the Criminal Division of the Department of Justice. In the event of a knowing, willful and material breach of the GE Agreement that results in a prosecution of GE, such prosecution may be premised upon any information provided by or on behalf of GE or any of its subsidiaries to the DOJ or SEC at any time, including GE's presentation to the Assistant Attorney General in charge of the Criminal Division, unless otherwise agreed when the information was provided.



8. Parties Bound by the GE Agreement

This GE Agreement is binding upon the Department and GE only. The GE Agreement covers GE and any of its successors, subsidiaries, divisions or affiliates, excluding InVision and its subsidiaries, which are covered by the InVision Agreement.

The GE Agreement excludes, and does not prevent investigation or prosecution of, any other individuals (including directors, officers, employees, agents, distributors or attorneys of GE or InVision) and any entities other than GE or its successors, subsidiaries, divisions or affiliates.

The GE Agreement also does not bind any department or agency of the United States Government respecting prosecutions, if any, of GE or any other entity or individual for violations of Title 26 of the United States Code.

9. Complete Agreement

This GE Agreement and the InVision Agreement (and its appendices) are the complete and only agreements between the parties with respect to the subject matter hereof. No promises, agreements or conditions have been entered into other than those set forth in this GE Agreement and in the InVision Agreement. This GE Agreement supersedes prior understandings, if any, of the parties, whether written or oral. The GE Agreement cannot be modified other than in a writing signed by the parties.

10. Term of the GE Agreement

The GE Agreement expires one (1) year from the Effective Time; provided, that if on the Effective Time the Department, the SEC or any other federal enforcement or regulatory agency with which the Department has directed GE or InVision to cooperate is then conducting any investigation, prosecution or proceeding relating to the Subject Matters, then this GE Agreement shall expire on the date that any such investigation, prosecution or proceeding is finally terminated, as determined by the governmental department or agency conducting the investigation, prosecution or proceeding.

The following provisions (contained in section 2 above) shall survive termination of the GE Agreement: (a) the release of GE from criminal liability (unless the GE Agreement is terminated pursuant to sections 6 and 7 above due to GE's knowing, willful material breach), (b) GE's agreement to assume the InVision Agreement and be bound by its terms (except Section D,



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relating to establishment of a Monitor at InVision), and (c) GE's agreement to maintain InVision as a separate legal entity subject to investigation and prosecution for so long as the InVision Agreement remains in effect and, in the event of termination for knowing, willful material breach of the InVision Agreement, for a period of not less than one-hundred eighty (180) calendar days after the date of such termination.

11. Notices

All notices to GE required or permitted by this GE Agreement shall be in writing and shall be given by first class, postage prepaid mail and by facsimile transmission, effective in each case upon the later of the date of mailing and of facsimile transmission, addressed as follows:

W. Scott Seeley, Esq.
General Counsel
GE Infrastructure
187 Danbury Road
Wilton, CT 06897; Fax: (203) 761-1924

With a copy to:

Brad D. Brian, Esq.
Munger, Tolles & Olson LLP
355 S. Grand Avenue, Suite 3500
Los Angeles, CA 90071; Fax: (213) 687-3702

12. Miscellaneous

GE hereby warrants and represents that the person signing the GE Agreement has authority to bind GE.

The headings contained in this GE Agreement are for reference only and shall not affect in any way the meaning or interpretation of the GE Agreement.

This GE Agreement may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same agreement. The exchange of copies of this GE Agreement and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this GE Agreement as to the



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parties and may be used in lieu of the original GE Agreement for all purposes. Signatures of the parties transmitted by facsimile or electronic transmission shall be deemed to be their original signatures for all purposes.

* * *

If this letter accurately reflects the agreement entered into between the Department and GE, please provide signatures on the Acknowledgment of Agreement below. Please return the original of this letter to: Mark F. Mendelsohn, Acting Deputy Chief, Fraud Section, Criminal Division, United States Department of Justice, 1400 New York Ave. NW, Washington, DC, 20005.

Very truly yours,

JOSHUA R. HOCHBERG
Chief, Fraud Section, Criminal Division
United States Department of Justice

By:

Mark F. Mendelsohn
Acting Deputy Chief



Washington, D.C. 20530

**ACKNOWLEDGMENT OF AGREEMENT
GENERAL ELECTRIC COMPANY**

On behalf of General Electric Company, I hereby certify the following:

I have read the GE Agreement and carefully reviewed every part of it with counsel for GE. I understand the terms of the GE Agreement and voluntarily agree, on behalf of GE, to its terms. Before signing the GE Agreement, I consulted with GE's counsel, who fully advised me of GE's rights, of possible defenses and of the consequences of entering into the GE Agreement. No promises or inducements have been made to me or GE other than those contained in the GE Agreement. Furthermore, no one has threatened or forced me or, to my knowledge, any person authorizing the GE Agreement on behalf of GE, to enter into this Agreement. I am also satisfied with counsel's representation of GE in this matter. I certify that I am an officer of GE and that I have been duly authorized by GE to execute this Agreement on its behalf.

GENERAL ELECTRIC COMPANY

By: _____

Dated: December __, 2004

Its: _____

I certify that I am counsel to GE in this matter and that I have reviewed the GE Agreement with the duly-authorized GE officer whose signature appears above.

MUNGER, TOLLES & OLSON LLP

By: _____

Dated: December __, 2004

Brad D. Brian



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**ACKNOWLEDGMENT OF AGREEMENT
GENERAL ELECTRIC COMPANY**

On behalf of General Electric Company, I hereby certify the following:

I have read the GE Agreement and carefully reviewed every part of it with counsel for GE. I understand the terms of the GE Agreement and voluntarily agree, on behalf of GE, to its terms. Before signing the GE Agreement, I consulted with GE's counsel, who fully advised me of GE's rights, of possible defenses and of the consequences of entering into the GE Agreement. No promises or inducements have been made to me or GE other than those contained in the GE Agreement. Furthermore, no one has threatened or forced me or, to my knowledge, any person authorizing the GE Agreement on behalf of GE, to enter into this Agreement. I am also satisfied with counsel's representation of GE in this matter. I certify that I am an officer of GE and that I have been duly authorized by GE to execute this Agreement on its behalf.

GENERAL ELECTRIC COMPANY

By: Bradley B. Demarest Dated: December 5, 2004

Its: Vice President & General Counsel

I certify that I am counsel to GE in this matter and that I have reviewed the GE Agreement with the duly-authorized GE officer whose signature appears above.

MUNGER, TOLLES & OLSON LLP

By: _____ Dated: December ____, 2004
Brad D. Brian



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GENERAL ELECTRIC COMPANY**

On behalf of General Electric Company, I hereby certify the following:

I have read the GE Agreement and carefully reviewed every part of it with counsel for GE. I understand the terms of the GE Agreement and voluntarily agree, on behalf of GE, to its terms. Before signing the GE Agreement, I consulted with GE's counsel, who fully advised me of GE's rights, of possible defenses and of the consequences of entering into the GE Agreement. No promises or inducements have been made to me or GE other than those contained in the GE Agreement. Furthermore, no one has threatened or forced me or, to my knowledge, any person authorizing the GE Agreement on behalf of GE, to enter into this Agreement. I am also satisfied with counsel's representation of GE in this matter. I certify that I am an officer of GE and that I have been duly authorized by GE to execute this Agreement on its behalf.

GENERAL ELECTRIC COMPANY

By: _____

Dated: December __, 2004

Its: _____

I certify that I am counsel to GE in this matter and that I have reviewed the GE Agreement with the duly-authorized GE officer whose signature appears above.

MUNGER, TOLLES & OLSON LLP

By: Brad D. Brian
Brad D. Brian

Dated: December 5, 2004

AGREEMENT

This Agreement, dated December 3, 2004, (the "Effective Date") is between the United States Department of Justice, Criminal Division, Fraud Section (the "Department"), and InVision Technologies, Inc. ("InVision")¹ (the "Agreement").

A. Introduction

1. During the Department's ongoing criminal investigation under the Foreign Corrupt Practices Act, 15 U.S.C. § 78dd-1, et seq., ("FCPA") into matters relating to certain foreign sales transactions and attempted transactions conducted by InVision in the Kingdom of Thailand, the People's Republic of China and the Republic of the Philippines (the "Foreign Transactions"), the Department has notified InVision that, in the Department's view, InVision, acting through certain of its employees, agents or distributors, has violated federal criminal law. The Foreign Transactions involved sales or attempted sales of InVision's airport security explosive detection products to airports owned or controlled by the governments of Thailand, China and the Philippines. A description of the Foreign Transactions is set forth in **Appendix A**, attached hereto and incorporated by reference. **Appendix B**, also attached hereto and incorporated by reference, is a non-public document that reveals the identities of certain individuals and entities involved in the Foreign Transactions.

In summary, the Department believes that InVision (a) through certain of its employees, agents or distributors, corruptly authorized the offer, promise to pay or the payment of money and other things of value, and did, thereafter, offer, promise to pay or pay money and other things of value, to foreign government officials to influence them to cause InVision to obtain or retain business in Thailand, China and the Philippines and (b) failed to devise and maintain a system of internal controls with respect to foreign sales activities sufficient to assure compliance with the FCPA and, to that extent, to provide reasonable assurances that InVision's transactions were executed in accordance with management's authorization.

2. Solely for purposes of this agreement, as set forth in Section C below, InVision accepts responsibility for the conduct of its employees, agents and distributors as described in **Appendix A**. Solely for purposes of this agreement, InVision also accepts responsibility for its failure to devise and maintain a system of internal controls with respect to foreign sales activities sufficient to assure compliance with the FCPA and, to that extent, to provide reasonable assurances that InVision's transactions were executed in accordance with management's authorization. As more fully addressed in Section C below, InVision agrees that

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1056563.1

In this Agreement, "InVision" refers to InVision and all of its subsidiaries.

Appendix A is materially accurate and InVision agrees not to contradict Appendix A. InVision does not endorse, ratify, or condone improper conduct and, as set forth below, will take steps to prevent such conduct from occurring in the future.

3. The Department has determined that entry into the Agreement, as opposed to institution of a criminal prosecution, is appropriate under the circumstances. These circumstances include (a) InVision's voluntary disclosure to the Department of the conduct involved in the Foreign Transactions and related conduct, (b) the fact that InVision's voluntary disclosure prevented an improper payment from being made in Thailand, (c) InVision's prompt disciplinary action respecting the employees primarily responsible for the conduct at issue in the Foreign Transactions, (d) InVision's on-going cooperation with the Department in the Department's investigation, and (e) the absence of any prior FCPA-related or other criminal history at InVision.

B. Mutual Obligations of InVision and the Department

4. In exchange for the agreement of the Department as set forth in paragraph 5 below, InVision agrees:
 - (a) to accept responsibility as described in paragraph 2 above and more fully in Section C below;
 - (b) to negotiate in good faith a settlement with the United States Securities and Exchange Commission ("SEC");
 - (c) that the Thailand Transaction (as described in **Appendix A**) shall proceed, if at all, only as a sale by InVision directly to Company A, or to any other Thailand governmental entity, and not through Subcontractor A, Agent A or any other individual or entity;
 - (d) to pay to the United States Treasury, within ten (10) calendar days of the Effective Date, a monetary penalty of \$ 800,000;
 - (e) to retain and pay for a Monitor, if, as described more fully in Section D below, the Effective Time as defined in the Agreement and Plan of Merger dated as of March 15, 2004, as amended from time to time, among General Electric Company ("GE"), Jet Acquisition Sub, Inc. and InVision (the "Merger Agreement"), has not occurred before January 1, 2005; and
 - (f) to continue to cooperate with the Department and the SEC in their investigations of the matters described herein (which cooperation shall

include an affirmative duty fully and truthfully to disclose activities that InVision reasonably believes may violate the FCPA), as more fully described in Section E below.

5. In exchange for InVision's agreement to fulfill the obligations described in paragraph 4 above, and subject to the terms and conditions set forth below, the Department agrees that, except for prosecutions for violations of Title 26 of the United States Code, it will not prosecute InVision under the FCPA or under any other federal criminal statutes that may be the basis for an alternative charge to the FCPA (including 18 U.S.C. sections 2, 3, 4, 371, 1341, 1343, 1952, 1956 and 1957) for conduct that potentially violates the FCPA based on the Foreign Transactions or any other foreign transactions or events disclosed in writing by InVision or GE (which has cooperated in the Department's investigation and presently intends to acquire InVision pursuant to the Merger Agreement) to the Department and the SEC on or before the Effective Date. This Agreement applies to InVision only and does not prevent the Department from investigating or prosecuting any other individuals or entities.

C. InVision's Acceptance of Responsibility

6. The obligation of InVision referenced in paragraphs 2 and 4(a) above to accept responsibility means that InVision shall undertake all of the duties imposed upon it in this Section C. The obligation shall have no other or additional meaning.
7. In the event that the Department, in its sole reasonable discretion, determines that InVision has knowingly, willfully and materially breached any provision of this Agreement, then **Appendix A** (as supplemented by **Appendix B**) shall be a binding admission by InVision as to the Criminal Division of the Department of Justice (including the Department) and any United States Attorney's Office (collectively, the "DOJ") and the SEC. Further, and irrespective of whether InVision has or has not breached the Agreement, InVision will not, through its present or future directors, officers, employees, agents, attorneys or affiliates, make any public statements, including statements or positions in litigation in which any United States department or agency is a party, contradicting any statement of fact set forth in **Appendix A** (standing alone or as interpreted through **Appendix B**). Any such contradictory public statement by InVision, its present or future directors, officers, employees, agents, attorneys or affiliates shall constitute a breach of this Agreement, and InVision thereafter shall be subject to prosecution as set forth in Section F of this Agreement.
8. The decision of whether any public statement by any such person contradicting a statement contained in **Appendix A** will be imputed to InVision for the purpose of determining whether InVision has breached this Agreement shall be at the sole

reasonable discretion of the Department. Upon the Department's reaching a determination that such a contradictory statement has been made by InVision, the Department shall so notify InVision in writing pursuant to Section K below and InVision may avoid a breach of this Agreement by publicly repudiating such statement within five (5) business days after written notification by the Department.

9. Paragraphs 7 and 8 above are not intended to apply to any statement made by any individual in the course of any criminal, regulatory or civil case initiated by any governmental or private party against such individual, unless such individual has authority to and is speaking on behalf of InVision; provided that, solely for the purposes of the Department's determination of whether InVision has breached this Agreement, any statement made by Executive A, Manager A, or Agents A, B, or C, irrespective of the context, shall not be attributable to InVision. Notwithstanding InVision's obligation not to contradict any statement set forth in **Appendix A**, InVision may take good faith positions in litigation involving any private party, which good faith positions shall not be deemed to constitute violations of InVision's obligations pursuant to paragraph 7 above.

D. FCPA Compliance Monitor

10. The obligation of InVision referenced in paragraph 4(e) above to retain and pay for a Monitor means that InVision shall undertake all of the duties imposed upon it in this Section D.
11. If the Effective Time (as defined in the Merger Agreement) has not occurred before January 1, 2005, then InVision agrees that for a period of at least eighteen (18) months from January 1, 2005, it will retain and pay for an outside, independent law firm (the "Monitor"), selected and paid for by InVision and approved by the Department. It shall be a condition of the Monitor's retention that the Monitor is independent of InVision and that no attorney-client relationship shall be formed between them. If InVision, the Monitor or any other party or tribunal asserts or determines that communications between the Monitor and InVision are protected by the attorney-client privilege or that documents created or reviewed by InVision or the Monitor in connection with the Monitor's work are protected by the work product doctrine, then InVision shall waive only as to the DOJ and the SEC any protections afforded to such communications and documents. Any revocation of these waivers shall constitute a breach of this Agreement. The sharing of such communications by the Monitor with the DOJ and the SEC is not intended to constitute a waiver of any privilege under any federal or state law that would shield from disclosure to any other third party any such communications.

If the Effective Time occurs on or before December 31, 2004, then this Section D shall be null and void and of no effect, and the obligations of InVision respecting an FCPA compliance program shall be governed by the separate agreement entered between the Department and GE, known as the "GE Agreement."

12. The Monitor shall:
 - (a) monitor InVision's compliance with this Agreement;
 - (b) monitor InVision's implementation of and adherence to policies and procedures relating to FCPA compliance (the "Policies and Procedures");
 - (c) ensure that the Policies and Procedures are appropriately designed to accomplish their goals; --
 - (d) report to the Department, in coordination with the SEC, on at least a semi-annual basis and between thirty (30) and forty-five (45) calendar days before the end of the Monitor's term, as to InVision's compliance with this Agreement; and
 - (e) coordinate with the SEC and provide information about InVision as requested by that agency.

13. InVision agrees that the Monitor may disclose its reports to the SEC and, as directed by the Department, to any other federal, state or foreign law enforcement or regulatory agency in furtherance of an investigation of any matters related to the Foreign Transactions and any matters relating to any other transaction that has been or is discovered by, or brought to the attention of, the Department or the SEC in connection with the Department's investigation of InVision (the "Subject Matters"). InVision further agrees that the eighteen (18) month term for the Monitor may be extended by an additional six (6) month term during the pendency of this Agreement if the Department determines, in its sole reasonable discretion, that the additional period is necessary to ensure InVision's compliance with this Agreement. During the Monitor's term, no amendments or changes will be made to the Policies and Procedures without the prior approval of the Monitor.

E. InVision's Cooperation

14. The obligation of InVision referenced in paragraph 4(f) above to cooperate means that InVision shall undertake all of the duties imposed upon it in this Section E.

15. During the term of this Agreement, InVision agrees to cooperate fully with the DOJ, the SEC, the Monitor (if a Monitor is required under the conditions set forth

in Section D), and, as directed by the Department, with any other federal, state or foreign law enforcement or regulatory agency regarding the Subject Matters.

16. The duty to cooperate includes an affirmative duty of full and truthful disclosure. InVision shall truthfully disclose to the DOJ and the SEC all information respecting the activities of InVision and its present and former directors, officers, employees, agents, distributors, attorneys and affiliates relating to the Subject Matters about which the DOJ or the SEC shall inquire, or which InVision reasonably believes is material to the investigation by the DOJ or the SEC into the Subject Matters.
17. InVision agrees that its cooperation shall also include, but is not limited to, the following:
 - (a) providing reasonable access to the DOJ and the SEC to InVision's documents relating to the Subject Matters and all directors, officers, employees, agents, distributors, attorneys and affiliates (and, with respect to InVision's agents and distributors, using reasonable best efforts to provide the DOJ and the SEC with reasonable access to such agents and distributors), whether or not located in the United States, and to InVision's facilities for that purpose;
 - (b) assembling, organizing and producing, or taking reasonable steps to effectuate the production of, on request from the DOJ or the SEC, all documents, records, or other tangible evidence related to the Subject Matters in InVision's possession, custody, or control in such reasonable format as the DOJ or the SEC requests;
 - (c) not asserting a claim of attorney-client or work-product privilege as to any (1) memoranda of witness interviews (including exhibits thereto) and documents created contemporaneously with and related to the Foreign Transactions or with and related to other transactions or events underlying the Subject Matters (including, but not limited to, transactional documents and emails, but excluding any advice or attorney work-product relating to or given in connection with InVision's internal investigation or the investigations conducted by the DOJ or SEC), and (2) documents reflecting contemporaneous legal advice given to InVision in connection with the Foreign Transactions or other transactions or events underlying the Subject Matters (excluding any advice or attorney work-product relating to or given in connection with InVision's internal investigation or the investigation of the DOJ or SEC). In making production of any such documents, InVision neither expressly nor implicitly waives its right to assert any privilege that is available under law against persons or entities

other than the DOJ or the SEC concerning the produced documents or the subject matters thereof;

- (d) using its reasonable best efforts to make available its present or former directors, officers, employees, agents, distributors, attorneys and affiliates to provide information and/or testimony related to the Subject Matters as requested by the DOJ or the SEC, including sworn testimony before a federal grand jury or in federal trials, as well as interviews with federal law enforcement authorities. Cooperation under this sub-paragraph will include identification of witnesses who, to InVision's knowledge, may have material information regarding the Subject Matters;
- (e) providing testimony and other information deemed necessary by the DOJ, the SEC or a court to identify or establish the original location, authenticity, or other evidentiary foundation necessary to admit into evidence documents in any criminal or other proceeding as requested by the DOJ or the SEC related to the Subject Matters;
- (f) interfacing with the Monitor in connection with InVision's implementation of and adherence to the Policies and Procedures and the Monitor's reporting duties described in Section D above.

18. With respect to any information, testimony, document, record or other tangible evidence provided to the DOJ pursuant to this Agreement, InVision consents to any and all disclosures to the SEC and other federal, state and foreign governmental entities of such materials as the DOJ, in its sole reasonable discretion, deems appropriate in furtherance of the DOJ's investigation of the Subject Matters.

19. InVision authorizes the DOJ and the SEC to share information from and about InVision with each other and hereby waives any confidentiality afforded to that information by law, agreement or otherwise that would, absent authorization by InVision, prohibit or limit such sharing. No further waivers of confidentiality shall be required in that regard.

F. Breach of the Agreement

20. Should the Department, in its sole reasonable discretion, determine that InVision has knowingly and willfully given false, incomplete, or misleading information under this Agreement, or has committed any federal crimes subsequent to the date of this Agreement, or that InVision otherwise has knowingly, willfully and materially breached any provision of this Agreement (including, as determined in the sole reasonable discretion of the Department, whether InVision has knowingly

and willfully failed to perform the duties imposed upon it in Section D above respecting the Monitor), the Department may, at its sole reasonable discretion, terminate this Agreement. In the event of termination, InVision shall, in the Department's sole reasonable discretion, thereafter be subject to prosecution for any federal criminal violation, including prosecution for acts subject to the release of liability in paragraph 5 above.

21. Subject to paragraph 24 below, in the event that the Department, in its sole reasonable discretion, determines that InVision has knowingly, willfully and materially breached any provision of this Agreement, then **Appendix A** (as supplemented by **Appendix B**) shall be a binding admission by InVision as to the DOJ and SEC only, and (a) the DOJ and SEC may use and admit into evidence in any proceeding and for any purpose, and without objection by InVision, **Appendices A and B**, (b) all statements made, or documents provided, to the DOJ and SEC by or on behalf of InVision or any of its current or former directors, officers, employees, agents, distributors, attorneys or affiliates (including without limitation information obtained by InVision or GE during their investigations or in the course of cooperating with the DOJ and SEC under this Agreement), and any testimony given by InVision and any current or former directors, officers, employees, agents, distributors, attorneys or affiliates before a grand jury, the United States Congress, the SEC or elsewhere, and any leads derived from such statements, documents and testimony, shall be admissible in evidence in any and all criminal proceedings brought by the DOJ against InVision, and (c) InVision shall not assert any claim under the United States Constitution, Rule 410 of the Federal Rules of Evidence, or any other law, rule or regulation that any such statements made, or documents or testimony provided, by or on behalf of InVision or any of its current or former directors, officers, employees, agents, distributors, attorneys or affiliates, prior or subsequent to this Agreement, or any leads therefrom, should be suppressed.
22. Subject to paragraph 9 above, the decision whether conduct and statements of any individual will be imputed to InVision for the purpose of determining whether InVision has willfully and materially breached any provision of this Agreement shall be in the sole reasonable discretion of the Department.

G. Waiver of Statute of Limitations and Cure of Breach

23. With respect to any prosecutions under the FCPA or under any other federal criminal statutes that may be the basis for an alternative charge to the FCPA (including 18 U.S.C. sections 2, 3, 4, 371, 1341, 1343, 1952, 1956 and 1957) for conduct that potentially violates the FCPA based on the Foreign Transactions or any other foreign transactions or events or disclosed in writing by InVision or GE (which has cooperated in the Department's investigation and presently intends to

acquire InVision pursuant to the Merger Agreement) to the Department and the SEC on or before the Effective Date which are not time-barred by the applicable statute of limitations as of the Effective Date, InVision agrees that the applicable statute of limitation period for any such prosecutions shall be tolled for a period of time equal to the term of this Agreement (or, in the event of termination pursuant to paragraph 20 above, the date of written notice of such termination) so that such prosecutions may be commenced against InVision in accordance with this Agreement, notwithstanding the expiration of the statute of limitations between the Effective Date and expiration of this Agreement (or, in the event of termination pursuant to paragraph 20 above, the date of written notice of such termination). InVision's tolling of the statute of limitations is knowing and voluntary and in express reliance on the advice of counsel.

24. Should the Department determine that InVision has committed a knowing, willful and material breach of any provision of this Agreement, the Department shall, within a reasonable time, provide written notice to InVision of the alleged breach, and InVision shall have twenty-one (21) calendar days from the date of that written notice in which to make a presentation to the Assistant Attorney General in charge of the Criminal Division of the Department of Justice to demonstrate that no breach has occurred, or, to the extent applicable, that the breach is not a knowing and willful material breach or has been cured. Should InVision fail to make a presentation to the Assistant Attorney General in charge of the Criminal Division within the twenty-one (21) calendar day period, or such additional period upon which the parties agree in writing, it shall be conclusively presumed that InVision is in knowing, willful and material breach of this Agreement. The parties further understand and agree that the Assistant Attorney General's exercise of discretion under this paragraph is not subject to review in any court or tribunal outside the Criminal Division of the Department of Justice. In the event of a knowing, willful and material breach of this Agreement that results in a prosecution of InVision, such prosecution may be premised upon any information provided by or on behalf of InVision or GE to the DOJ or SEC at any time, including InVision's presentation to the Assistant Attorney General in charge of the Criminal Division, unless otherwise agreed when the information was provided.

H. Merger or Sale of InVision

25. InVision agrees that if it sells or merges all or substantially all of its business operations as they exist as of the Effective Date of this Agreement to or into a single purchaser or group of affiliated purchasers (other than GE) during the term of this Agreement, InVision shall include in any contract for sale or merger a provision binding the purchaser/successor to the obligations described in this Agreement.

If InVision sells or merges all or substantially all of its business operations as they exist as of the Effective Date to or into GE or a subsidiary thereof, then this Agreement shall remain in effect except as modified by the GE Agreement.

I. Agreement Binding Only on InVision and the Department

26. Except as noted below in this Section I, this Agreement is binding on InVision and the Department, but specifically does not bind any other federal agencies, or any state or local law enforcement or licensing authorities, although the Department will bring the cooperation of InVision and its compliance with its obligations under this Agreement to the attention of federal, state and foreign law enforcement or licensing agencies or authorities, if requested by InVision or its attorneys. Furthermore, nothing in this Agreement restricts in any way the ability of the Department to proceed against any other entity or against any individuals, including but not limited to current or former directors, officers, employees, agents, distributors, attorneys or affiliates of InVision.
27. This Agreement also does not bind any department or agency of the United States Government respecting prosecutions, if any, of InVision or any other entity or individual for violations of Title 26 of the United States Code.

J. Term of Agreement

28. This Agreement expires two (2) years from the Effective Date; provided, that if on the Effective Date the Department, the SEC or any other federal enforcement or regulatory agency with which the Department has directed InVision to cooperate is then conducting any investigation, prosecution or proceeding relating to the Subject Matters, then this Agreement shall expire on the date that any such investigation, prosecution or proceeding is finally terminated, as determined by the governmental department or agency conducting the investigation, prosecution or proceeding.

Between thirty (30) and sixty calendar days (60) before the expiration of this Agreement, or at such other time as the Parties may agree in writing, InVision shall submit to the Department a written certification that InVision is in compliance with this Agreement.

Paragraph 5 above shall survive termination of the Agreement, unless the Agreement is terminated due to InVision's knowing, willful and material breach pursuant to Section F above. In the event of such a termination pursuant to Section F, Paragraph 21 shall survive termination of the Agreement.

K. Notices

29. All notices to InVision required or permitted by this Agreement shall be in writing and shall be given by first class, postage prepaid mail and by facsimile transmission, effective in each case upon the later of the date of mailing and of facsimile transmission, addressed as follows:

InVision Technologies, Inc.
7151 Gateway Boulevard
Newark, CA 94560
Fax: (510) 608-0770
Attn.: President/General Counsel

L. Miscellaneous

30. InVision hereby warrants and represents that the Board of Directors of InVision has duly authorized, in a specific resolution, the execution and delivery of this Agreement by InVision, and that the person signing the Agreement has authority to bind InVision. InVision further agrees that it will deliver concurrently with an executed copy of this Agreement a copy of the requisite corporate resolution by InVision's Board of Directors authorizing InVision to enter into this Agreement.
31. This Agreement and **Appendices A and B** constitute the entire agreement, and supercede all other prior agreements or understandings, both oral and written, among the parties with respect to the subject matter hereof.
32. This Agreement may not be modified except in writing signed by all the parties.
33. The headings contained in this Agreement are for reference only and shall not affect in any way the meaning or interpretation of this Agreement.

TOTAL P.02

- 34. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile or electronic transmission shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by facsimile or electronic transmission shall be deemed to be their original signatures for all purposes.

JOSHUA R. HOCHBERG
 Chief, Fraud Section
 Criminal Division
 United States Department of Justice

By: Mark F. Mendelsohn
 MARK F. MENDELSON
 Acting Deputy Chief

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ACKNOWLEDGMENT OF AGREEMENT

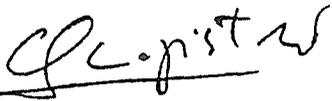
INVISION TECHNOLOGIES, INC.

On behalf of InVision Technologies, Inc., I hereby certify the following:

I have read the Agreement and carefully reviewed every part of it with counsel for InVision. I understand the terms of the Agreement and voluntarily agree, on behalf of InVision, to its terms. Before signing the Agreement, I consulted with InVision's counsel, who fully advised me of InVision's rights, of possible defenses and of the consequences of entering into the Agreement. No promises or inducements have been made to me or InVision other than those contained in the Agreement. Furthermore, no one has threatened or forced me or, to my knowledge, any person authorizing the Agreement on behalf of InVision, to enter into this Agreement. I am also satisfied with counsel's representation of InVision in this matter.

I certify that I am an officer of InVision and that I have been duly authorized by InVision to execute this Agreement on its behalf.

INVISION TECHNOLOGIES, INC.

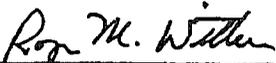
By: 
Sergio Magistri, P.h.D.

Dated: December 3, 2004

Its: Chief Executive Officer

I certify that I am counsel to InVision in this matter and that I have carefully reviewed the Agreement with the duly authorized InVision officer whose signature appears above.

WILMER CUTLER PICKERING HALE AND DORR LLP

By: 
Roger M. Witten

Dated: December 3, 2004

APPENDIX A

1. Lack of Internal Controls

Since at least 1996, InVision has been an "issuer" within the meaning of 15 U.S.C. Section 78m(b)(2). As such, InVision was and is required, among other things, to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions are executed in accordance with the authorization of InVision management.

From 2001 through and including at least June 2004, InVision was engaged in, among other business, the Foreign Transactions as described below. There is competent and credible evidence that, during this period, InVision failed to devise and maintain a system of internal controls with respect to foreign sales activities sufficient to assure compliance with the FCPA and, to that extent, provide reasonable assurances that InVision's transactions, including the Foreign Transactions, were executed in accordance with the authorization of InVision management. In addition, there is competent and credible evidence that InVision had no effective FCPA compliance program and practiced insufficient, and in some countries virtually no, due diligence respecting the retention of agents or entry into subcontractor or distributorship agreements.

2. The Thailand Transaction

In 1996, the government of Thailand began planning for the construction of a new airport in Bangkok. In connection with that effort, the government of Thailand formed a corporation known as Company A for the purpose of, among other things, contracting with other entities to construct the new airport. Company A is owned and controlled by the government of Thailand.

In 2002 or 2003, Company A contracted with General Contractor A to construct, among

other things, the airport's terminal and concourse buildings. General Contractor A, in turn, sought to subcontract the design, manufacture, supply, installation, testing and commissioning of a hold baggage screening system for the terminal and/or concourse buildings (the "HBS Subcontract"). The hold baggage screening system was to include baggage screening machines designed to detect explosives ("Baggage Screening Machines"). Subcontractor A, in contemplation of being awarded, and performing under, the HBS Subcontract, entered into a contract effective in or about May 2003 (amended and restated in or about April 2004) with InVision to serve in a capacity that Subcontractor A and InVision denominated as InVision's distributor for the sale of Baggage Screening Machines in Thailand.

In or about March 2004, General Contractor A entered into the HBS Subcontract with Subcontractor A for the hold baggage screening system. In or about April 2004, Subcontractor A entered into a contract with InVision for the purchase, delivery, installation, testing and commissioning of twenty-six (26) Baggage Screening Machines and related services for a total price to Subcontractor A of approximately \$35.8 million (the "Thailand Contract"). The principal negotiators of the Thailand Contract for InVision were Executive A and Manager A; Subcontractor A's principal negotiator was its president and owner, Agent A.

There is competent, credible evidence that InVision, through Executive A and Manager A, was aware of a high probability that part of the source of funds for any offer or promise to pay by Agent A to the Officials would have been the difference between the price paid to InVision by Subcontractor A for the Company A Contract and the price received by Subcontractor A for its performance of the HBS Subcontract. Executive A conducted no additional inquiry and thereby deliberately avoided learning the truth of whether Agent A intended to use the difference

between the price paid to InVision by Subcontractor A for the Company A Contract and the price received by Subcontractor A for its performance of the HBS Subcontract to fund an offer or promise to make payments to the Officials.

Accordingly, there is competent, credible evidence that, beginning in or about January 2003 through at least January 2004, InVision, through the conduct of Executive A and Manager A, made use of the mails and other means or instrumentalities of interstate commerce (namely, email and/or telephone) corruptly in furtherance of an offer and promise by Agent A, and the authorization thereof, to pay money or a thing of value to officials of the government of Thailand and a political party of Thailand (or officials thereof) (collectively, the "Officials") for the purpose of (a) influencing an act or decision of the Officials in their official capacity, and (b) inducing the Officials to do or omit to do an act in violation of the lawful duty of the Officials, and (c) securing an improper advantage, and (d) inducing the Officials to use their influence with the government of Thailand to affect or influence an act or decision of the government of Thailand, in order to assist InVision in obtaining and retaining business.

3. The China Transaction

In 1999, the government of China announced its intention to construct a new hub at one of China's airports. In connection with that effort, the government of China formed a corporation known as Company B for the purpose of, among other things, contracting with other entities to construct the new hub. Company B is owned and controlled by the government of China.

Company B contracted with General Contractor B to provide a hold baggage system for the new hub. Company B sourced the responsibility for purchasing Baggage Screening Machines

for the hold baggage system to Importer B, which is also owned and controlled by the government of China. Agent B had served as InVision's sales agent for the sale of Baggage Screening Machines in China since at least 1996 and, during the relevant period, was working for InVision under a two-year agency agreement effective March 2002.

In or about November 2002, Agent B, now purporting to act as a distributor or reseller, entered into a contract with InVision for the purchase, delivery, installation, testing and commissioning of two (2) Baggage Screening Machines and related services for a total price to Agent B of approximately \$ 2.8 million (the "China Contract"). Agent B intended to resell, and ultimately did resell, the Baggage Screening Machines to Importer A. The principal negotiators of the China Contract for InVision were Executive A and Manager A.

Under the China Contract, InVision was obligated to deliver the Baggage Screening Machines in or around mid-2003. InVision experienced delay due to an export license problem, and did not deliver the Baggage Screening Machines until October 2003. During the period of delay, Agent B informed Executive A and Manager A, by email and/or telephone, that Company B and Importer B sought to impose a financial penalty upon, and assess damages against, InVision for the delay. In or around September through November 2003, Agent B, by email and/or telephone, made repeated requests to Executive A and Manager A for financial compensation in order to, among other things, avoid the assessment of the penalty and damages by Company B and Importer B upon InVision. To the extent that Agent B communicated these requests to Manager A, Manager A relayed some or all of these requests to Executive A by email and/or telephone transmissions.

In or around December 2003, by email transmission to other officers or employees of

InVision, Executive A sought authorization for InVision to pay to Agent B \$ 95,000, with awareness of a high probability that Agent B intended to use part of that payment to influence officials of Company B and Importer B not to impose a penalty upon, or assess damages against, InVision. Executive A conducted no additional inquiry and thereby deliberately avoided learning the true purpose behind Agent B's request for the additional payment or how Agent B might spend those funds. In or around April 2004, InVision paid \$ 95,000 to Agent B.

Accordingly, there is competent, credible evidence that, in or around December 2003 through April 2004, InVision, through the conduct of Executive A and Manager A, made use of the mails and other means or instrumentalities of interstate commerce (namely, email and/or telephone transmissions) corruptly in furtherance of (a) an offer and promise by Agent B to pay, and (b) a payment by Agent B of, and (c) the authorization thereof to pay, money or a thing of value to officials of the government of China (the "Officials") for the purpose of (d) influencing an act or decision of the Officials in their official capacity, and (e) inducing the Officials to do or omit to do an act in violation of the lawful duty of the Officials, and (f) securing an improper advantage, and (g) inducing the Officials to use their influence with the government of China to affect or influence an act or decision of the government of China, in order to assist InVision in obtaining and retaining business.

4. The Philippines Transaction

In the late 1990s or 2000, the government of the Philippines awarded a contract for the construction of a new concourse at its main airport. In connection with that project, in 2001 InVision sold two (2) Baggage Screening Machines directly to the subcontractor responsible for the terminal's baggage handling system (the "Philippines Sale"). Agent C had served as

InVision's sales agent for the sale of Baggage Screening Machines in the Philippines since at least 1996.

From at least November 2001 through at least June 2002, Agent C made repeated requests, by email transmission, to Executive A and Manager A for a commission from the Philippines Sale. In these requests, Agent C related, in substance and effect, that he was negotiating on InVision's behalf with officials of the government of the Philippines for the sale of additional Baggage Screening Machines to other airports owned and controlled by the government of the Philippines. Agent C also related, in substance and effect, that he intended to use the commission paid by InVision to make gifts or pay cash to officials of the government of the Philippines or to one or more Filipino political parties, in order to influence those officials or parties to cause the airports to purchase additional Baggage Screening Machines from InVision through Agent C, although InVision represents that no additional sales have been made. To the extent that Agent C communicated the commission requests to Manager A, Manager A relayed some or all of these requests to Executive A by email and/or telephone transmissions.

In response to Agent C's requests, Executive A, in or around June or July 2002, by email transmission to other officers and employees of InVision, sought authorization for InVision to pay to Agent C approximately \$ 108,000 in commission (4% of the Philippines Sale amount), with awareness of a high probability that Agent C intended to use part of that payment to influence officials of the government of the Philippines. Executive A conducted no additional inquiry and thereby deliberately avoided learning the true purpose behind Agent C's request for a commission payment or how Agent C might spend those funds. In or around June or July 2002, InVision paid \$ 108,000 to Agent C.

Accordingly, there is competent and credible evidence that, in or around June or July 2002, InVision, through the conduct of Executive A and Manager A, made use of the mails and other means or instrumentalities of interstate commerce (namely, email and/or telephone transmissions) corruptly in furtherance of (a) an offer and promise by Agent C to pay, and (b) a payment by Agent C of, and (c) the authorization thereof to pay, money or a thing of value to officials of the government of the Philippines and a political party of the Philippines (or officials thereof) (the "Officials") for the purpose of (d) influencing an act or decision of the Officials in their official capacity, and (e) inducing the Officials to do or omit to do an act in violation of the lawful duty of the Officials, and (f) securing an improper advantage, and (g) inducing the Officials to use their influence with the government of the Philippines to affect or influence an act or decision of the government of the Philippines, in order to assist InVision in obtaining and retaining business.



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, DECEMBER 6, 2004
WWW.USDOJ.GOV

CRM
(202) 514-2008
TDD (202) 514-1888

INVISION TECHNOLOGIES, INC. ENTERS INTO AGREEMENT WITH THE UNITED STATES

WASHINGTON, D.C. - Assistant Attorney General Christopher A. Wray of the Criminal Division announced today that InVision Technologies, Inc. - a public company based in Newark, California that sells, in domestic and foreign markets, an airport security screening product designed to detect explosives in passenger baggage - has agreed to resolve the criminal liability associated with potential violations of the Foreign Corrupt Practices Act (FCPA) by paying \$800,000 in penalties to the United States and cooperating fully in the parallel investigations by the Department of Justice and the Securities and Exchange Commission.

In a separate, related agreement, General Electric Company, which announced today that it had completed its acquisition of InVision, agreed, among other things, to ensure compliance by InVision of InVision's obligations under its agreement and to effect FCPA compliance programs within its new InVision business.

The investigations by the Department and the SEC revealed that InVision, through the conduct of certain employees, was aware of a high probability that its agents or distributors in the Kingdom of Thailand, the People's Republic of China and the Republic of the Philippines had paid or offered to pay money to foreign officials or political parties in connection with transactions or proposed transactions for the sale by InVision of its airport security screening machines. The investigations followed the voluntary disclosure to the Department and the SEC by InVision and GE of facts obtained in their internal investigation into the potential FCPA violations.

The key terms of the Department's agreements with InVision and General Electric are as follows:

The InVision Agreement

The term of the InVision Agreement is two years. In exchange for the Department's agreement not to prosecute InVision for the conduct disclosed by InVision and GE (which assisted InVision in conducting an internal investigation) to the Department and the SEC, InVision agrees, among other things, to:

- Accept responsibility for its misconduct, agree that a statement of facts summarizing the subject transactions is materially accurate and agree not to contradict those facts;
- Negotiate in good faith a settlement with the SEC;

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- Pay a monetary penalty to the United States of \$800,000; and
- Fully and affirmatively disclose to the Department and the SEC activities that InVision believes may violate the FCPA, and continue to cooperate with the Department and the SEC in their investigations.

The GE Agreement

The GE Agreement, which has a term of one year, governs the obligations of GE with respect to its InVision business. In exchange for the Department's agreement not to prosecute GE for conduct disclosed by InVision and GE to the Department and the SEC, GE agrees, among other things, to:

- Integrate the InVision business into GE's FCPA compliance program and retain an independent consultant acceptable to the Department to evaluate the efficacy of GE's effort in that regard;
- Cause the full performance by InVision of the InVision Agreement;
- Accept, based on its present factual understandings, that the factual statement in the InVision Agreement describing the subject transactions is materially accurate and refrain from contradicting that statement; and
- Fully and affirmatively disclose to the Department and the SEC activities that GE reasonably believes are material to the investigations of the Department and the SEC, and to continue to cooperate in those investigations.

The case was prosecuted by Deputy Chief Peter B. Clark, Acting Deputy Chief Mark F. Mendelsohn and Trial Attorney Thomas E. Stevens of the Fraud Section.

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