

MEMORANDUM OF UNDERSTANDING REGARDING THE
WHISTLEBLOWER REWARDS PROGRAM AND PROCEDURES

Between

THE ANTITRUST DIVISION
UNITED STATES DEPARTMENT OF JUSTICE

and

THE UNITED STATES POSTAL SERVICE

and

THE OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

I. PURPOSE

The Antitrust Division of the United States Department of Justice (“Antitrust Division”), the United States Postal Service (“USPS” or the “Postal Service”), and the United States Postal Service Office of Inspector General (“USPS OIG”) (each a “Party,” and collectively, the “Parties”) enter into this Memorandum of Understanding (“MOU”) to recognize the authority of the Postal Service to pay rewards to whistleblowers, set forth the policies and procedures in the formation and operation of a Whistleblower Rewards Program to enable whistleblowers to report specific, credible, and timely information about possible federal criminal violations, and promote cooperation among the Antitrust Division, the United States Postal Inspection Service (“USPIS”) in its capacity as the law enforcement arm of USPS, and USPS OIG in the prosecution and resolution of matters identified through the Whistleblower Rewards Program.

II. MISSION AND DUTIES

A. Antitrust Division

The mission of the Antitrust Division is to promote economic competition through enforcing and providing guidance on antitrust laws and principles. The criminal enforcement of the antitrust laws is a core mission of the Antitrust Division. Pursuant to 28 C.F.R. § 0.40(a), the Assistant Attorney General in charge of the Antitrust Division has supervisory authority over all Department of Justice investigations involving possible violations of the antitrust laws. The Sherman Antitrust Act (“Sherman Act”), 15 U.S.C. §§ 1-3, prohibits (a) contracts, combinations, or conspiracies in restraint of interstate commerce or foreign trade, and (b) monopolization, attempts to monopolize, or combinations or conspiracies to monopolize interstate commerce or foreign trade. While every violation of this Act can be prosecuted as a felony, the Antitrust Division’s policy, in general, is to proceed by criminal investigation and prosecution in cases involving horizontal, “*per se*” unlawful agreements such as price fixing, bid rigging, and market allocation and in certain monopolization cases. Justice Manual §§ [7-1.100](#) and [7-2.200](#). The Antitrust Division’s Criminal Enforcement Program also enforces other federal criminal laws, and it investigates and charges violations of federal law that impact, distort, or undermine the competitive process or market competition, including fraud, conspiracy, false claims, and kickbacks. The Antitrust Division’s Procurement Collusion Strike Force, working with its partners in federal law enforcement, investigates and prosecutes antitrust crimes and related schemes in

government procurement, grant, and program funding at all levels of government—federal, state, and local.

B. United States Postal Service

USPS provides postal services to bind the Nation together through the personal, educational, literary, and business correspondence of the people, and to receive, transmit, and deliver throughout the United States, its territories and possessions, and, throughout the world, written and printed matter, parcels and like materials. USPS is responsible for providing the American public with trusted, affordable, universal postal service.

C. United States Postal Inspection Service

USPIS is the federal law enforcement, crime prevention, and security arm of the Postal Service. USPIS' mission is to support and protect the Postal Service and its employees, infrastructure, and customers; enforce the laws that defend the nation's mail system from illegal or dangerous use; and ensure public trust in the mail.

D. United States Postal Service Office of Inspector General

The USPS OIG is an independent agency which employs approximately 1,000 auditors, investigators, and professional support personnel. By conducting audits, evaluations, research, and investigations, USPS OIG fulfills its mission as a law enforcement agency of ensuring efficiency, accountability, and integrity in the Postal Service.

III. WHISTLEBLOWER REWARDS PROGRAM: AUTHORITY, FORMATION, AND OPERATION

Consistent with the statutory and regulatory authority described below, the Antitrust Division, USPS, and USPS OIG hereby create a Whistleblower Rewards Program which, subject to the limitations and conditions herein, provides a potential monetary incentive to whistleblowers who voluntarily provide the Antitrust Division with original information about Eligible Criminal Violations, which leads to a resolution including a criminal fine of at least \$1 million.

A. The United States Postal Service's Specific Power to Offer and Pay Rewards

The Postal Service is authorized by 39 U.S.C. § 2601 to collect fines, penalties and forfeitures arising out of matters affecting the Postal Service and "to pay one-half of all penalties and forfeitures imposed for violations of law affecting the Postal Service, its revenues, or property, to the person informing for the same" by 39 U.S.C. § 404(a)(7).

B. Formation and Operation of the Whistleblower Rewards Program

The Whistleblower Rewards Program will be implemented by the Antitrust Division, in coordination with the USPS and USPS OIG. The Antitrust Division will establish a method for the public to make whistleblower reports and designate attorneys and other staff within the Antitrust Division to perform intake and evaluation of whistleblower reports. The USPIS will have final approval authority for whatever criteria and methodology the Antitrust Division creates as part of

the public Whistleblower Rewards Program. All funding related to the actual establishment of the Whistleblower Rewards Program and its expenditures will be fully funded by the Antitrust Division.

The evaluation by the Antitrust Division will assess whether the information reported shows an Eligible Criminal Violation, is sufficiently specific and credible, and does not relate to conduct about which the Antitrust Division, USPIS, or USPS OIG is already aware. If a report concerning an Eligible Criminal Violation is made to USPIS or USPS OIG, they will evaluate whether to forward the report to the Antitrust Division.

If the Antitrust Division determines that the reported information ~~qualifies~~ as a whistleblower report, the Antitrust Division will disseminate the information it has received to the USPIS official designated herein (“USPIS Official”). The USPIS Official will assess whether the allegations reasonably articulate “violations of law affecting the Postal Service, its revenues, or property” pursuant to 39 U.S.C. § 404(a)(7). After making this assessment, the USPIS Official will respond to the Antitrust Division to inform it of the determination reached. On receiving an affirmative determination from the USPIS Official, the Antitrust Division will reflect in its records that the whistleblower report is potentially eligible for a whistleblower reward depending on the results of subsequent investigation.

When an investigation involving a whistleblower report results in a criminal conviction and fine of at least \$1 million,¹ or an equivalent recovery from a deferred prosecution or non-prosecution agreement, the Antitrust Division will approve the collection of a portion of the criminal fine or penalty by the Postal Service under 39 U.S.C. § 2601(a)(2), which provides that the Postal Service “shall collect and remit fines, penalties, and forfeitures arising out of matters affecting the Postal Service.” In a case involving a whistleblower report, in accordance with the limitations and conditions in Section IV of this MOU, if a whistleblower is deemed eligible for a monetary award by the Antitrust Division, the Postal Service shall pay the whistleblower in accordance with the terms of this agreement.

The amount of the whistleblower award will be made in consultation with USPIS and USPS OIG but is in the sole discretion of the Antitrust Division. If the Antitrust Division determines that a whistleblower reward is appropriate, the presumption will be that the total reward will be at least 15% of the recovered criminal fine. The maximum total reward will be 30% of the recovered criminal fine. After determining the size of the reward, the portion of the criminal fine or penalty remitted to the Postal Service will be set so that the appropriate whistleblower reward is one-half of the amount remitted to the Postal Service. The Postal Service will retain one-half of the amount remitted to the Postal Service, and agrees to pay the whistleblower the other half as the reward. As an example, if the recovered criminal fine is \$2 million, and the Antitrust Division determines that the appropriate whistleblower award is 20% of that amount (\$400,000), the portion

¹ Criminal violations of the Sherman Act are subject to a statutory ten-year maximum term of imprisonment. 15 U.S.C. § 1. Individual defendants face a maximum fine of \$1,000,000, while corporations face a maximum fine of \$100,000,000. *Id.* Additionally, the maximum potential fine may be increased above the maximums in the Sherman Act up to either twice the gross gain or loss involved in the violation. 18 U.S.C. § 3571(d).

of the criminal fine remitted to the Postal Service will be \$800,000, with the Postal Service paying the whistleblower \$400,000.

In the event multiple whistleblowers are eligible for a single award, the total reward shared by all whistleblowers will not exceed 30% of the recovered criminal fine. The individual amounts of a shared award will be determined by the Antitrust Division based on the limitations listed in Section IV(B) below.

IV. LIMITATIONS AND CONDITIONS OF THE WHISTLEBLOWER REWARDS PROGRAM

Subject to these limitations and conditions and eligibility criteria that may be developed by the Antitrust Division in conjunction with the USPIS and USPS OIG, Eligible Whistleblowers who voluntarily provide original information regarding a potential or actual Eligible Criminal Violation, which USPIS determines reasonably articulates a violation of law affecting the Postal Service, its revenues, or property, and this information leads to a resolution including a criminal fine of at least \$1 million, or an equivalent recovery from a deferred prosecution or non-prosecution agreement, the whistleblower will be eligible for an award.

A. Definitions

1. Eligible Whistleblower

- a. An Eligible Whistleblower is an individual who voluntarily provides original information regarding an Eligible Criminal Violation. An Eligible Whistleblower may initially contact the Antitrust Division anonymously through an attorney. An individual cannot be an Eligible Whistleblower if:
 - i. They coerced another party to participate in the illegal activity or were clearly the leader or originator of that activity.
 - ii. They are, or were at the time they acquired the original information provided to the Antitrust Division, an official, employee, or contractor of the Department of Justice, the Postal Service, or any law enforcement organization or a spouse, parent, child, or sibling of an official, employee, or contractor of the Department of Justice or Postal Service, or they resided in the same household as an official, employee, or contractor of the Department of Justice or the Postal Service.

2. Voluntarily

- a. A whistleblower voluntarily provides information when specific, credible, and timely information about possible federal criminal violations is directly communicated to the Antitrust Division,

USPIS, or USPS OIG before a formal demand (e.g., grand jury subpoena) compelling the same individual's testimony or compelling the production of documents regarding the same subject matter is served, and where the individual has no preexisting obligation in connection with a criminal investigation or prosecution or civil enforcement action to report the information to the Department, any Department component, or any federal law enforcement or civil enforcement agency, including as part of an employer's application to the Antitrust Division's Corporate Leniency Policy.

3. Original Information

- a. A whistleblower must provide the Antitrust Division, USPIS, or USPS OIG with original information, which is truthful and complete information:
 - i. Derived from independent knowledge (factual information that is not derived from publicly available sources), such as experiences, communications and observations in business or social interactions, or from independent analysis of public or private data;
 - ii. Not already known to the Antitrust Division, USPIS, or USPS OIG from any other source;
 - iii. Not exclusively derived from an allegation made in a judicial or administrative hearing, in a governmental report, hearing, audit, or investigation, or from the news media, unless the whistleblower is a source of the information; and
 - iv. Provided for the first time after the date upon which the instant MOU was ratified.
- b. An individual's information is not Original if:
 - i. They obtained the information through a communication that was subject to the attorney-client privilege, including any third parties' attorney-client privilege, unless disclosure of that information would otherwise be permitted by an attorney pursuant to the crime-fraud or other exceptions under the application state attorney conduct rules.
 - ii. They obtained the information in connection with the legal representation of a client on whose behalf they or their employer or firm are providing services, and they seek to use

the information to make a whistleblower submission for their own benefit.

- iii. They obtained the information because they were: (a) an officer, director, trustee, or partner of an entity and another person informed them of allegations of misconduct, or they learned the information in connection with the entity's processes for identifying, reporting, and addressing possible violations of law; (b) an employee whose principal duties involve compliance or internal audit responsibilities, or they were employed by or otherwise associated with a firm retained to perform compliance or internal audit functions for an entity, and the information relates to or is derived from these responsibilities or functions; (c) employed by or otherwise associated with a firm retained to conduct an inquiry or investigation into possible violations of law and the information relates to or derives from that retention; or (d) an employee of, or other person associated with, a public accounting firm, if they obtained the information through the performance of an engagement required of an independent public accountant and that information related to a violation by the engagement client or the client's directors, officers, or other employees (but see subsection IV.A.3.b.vi below).
- iv. They obtained the information or knew that the information was obtained by a means or in a manner that violates applicable federal or state criminal law.
- v. They obtained the information from a person who is subject to this subsection IV.A.3.b, unless the information is not excluded from that person's use pursuant to this section, or they are providing information about possible violations involving that person.
- vi. However, the exceptions in subsection IV.A.3.b.iii of this section shall not apply if an individual: (a) has a reasonable basis to believe that disclosure of the information is necessary to prevent the relevant individual or entity from engaging in criminal conduct that is likely to harm national security, result in crimes of violence, result in imminent harm to patients in connection with health care, or cause imminent financial or physical harm to others; (b) has a reasonable basis to believe that the relevant individual or entity is engaging in conduct that will impede an investigation of the misconduct; or (c) is someone described in (iii)(a) or (iii)(b) and at least 120 days have elapsed since

they provided the information to the relevant entity's audit committee, chief legal officer, chief compliance officer (or their equivalents), or their supervisor, or since they received the information, if they received it under circumstances indicating that the entity's audit committee, chief legal officer, chief compliance officer (or their equivalents), or their supervisor was already aware of the information.

- c. If an individual (1) first reported Original Information through an entity's internal whistleblower, legal, or compliance procedures for reporting allegations of possible violations of law; (2) the entity later reported to the Antitrust Division the individual's information or the results of an investigation initiated in whole or in part in response to the individual's information; and (3) the individual can demonstrate that they reported their information to the Antitrust Division within 120 days of the internal report or the individual's effective termination as a result of or related to the internal disclosure, whichever is later, then for purposes of evaluating the claim for an award, the Antitrust Division will deem the date the individual provided original information to the entity's internal reporting structure as the date of the individual's original disclosure to the Antitrust Division.

4. Eligible Criminal Violations

- a. Determination of whether a potential or actual violation of a federal criminal statute is an Eligible Criminal Violation is within the discretion of the Antitrust Division, with the following exception: allegations that the Postal Service has violated the antitrust laws referred to in 39 U.S.C. § 409(e) or the specific limitations identified in 39 U.S.C. § 404a shall not be considered Eligible Criminal Violations. The following categories of criminal offenses are presumptively Eligible Criminal Violations:
 - i. Criminal violations of sections 1, 2, and 3 of the Sherman Act;
 - ii. Federal criminal violations committed to effectuate, facilitate, or conceal violations of the Sherman Act;
 - iii. Federal criminal violations targeting or affecting federal, state, or local public procurement; and
 - iv. Federal criminal violations targeting or affecting the conduct of federal competition investigations or proceedings.

5. Reasonable articulation of violations of law affecting the Postal Service, its revenues, or property

- a. A whistleblower reasonably articulates violations of law affecting the Postal Service, its revenues, or property when sufficient facts and evidence are provided for the USPIS Official to conclude that the Postal Service has suffered an identifiable harm. However, the harm need not be material or otherwise pose any substantial detriment to the Postal Service.

B. Criteria for determining amount of award

In exercising its discretion to determine the appropriate award, the Antitrust Division may consider the following factors in relation to the facts and circumstances of each case in setting the dollar or percentage amount of the award. If awards are appropriate for multiple whistleblowers in connection with an action, these factors will be used to determine the relative allocation of awards among the whistleblowers.

1. Whether the information provided by the whistleblower was directly related to a successful criminal prosecution;
2. Whether the information provided by the whistleblower was reliable and complete;
3. Whether the information provided by the whistleblower resulted in the conservation of government resources;
4. Whether the information provided by the whistleblower supported one or more criminal convictions;
5. Whether the whistleblower provided ongoing, extensive, and timely cooperation and assistance by, for example, helping to explain complex transactions, interpreting key evidence, or identifying new and productive lines of inquiry;
6. Whether the whistleblower assisted law enforcement authorities in the recovery of the fruits and instrumentalities of the reported criminal violations;
7. Whether the whistleblower faced any unique hardships as a result of his or her reporting the criminal activity and assisting the criminal investigation and prosecution;
8. Whether, in their whistleblower submission, dealings with the Antitrust Division, USPIS, or USPS OIG, or dealings with another authority in connection with a related action, the individual knowingly and willfully made or makes any false, fictitious, or fraudulent statement or

representation, withheld material or significant information, or used any writing or document knowing that it contained any false, fictitious, or fraudulent statement or entry with intent to mislead or otherwise hinder the Department of Justice, USPIA, USPS OIG, or another authority, or otherwise interfered or interferes with or obstructed or obstructs the investigation;

9. Whether and to what extent the whistleblower participated in the criminal violation reported; and
10. Whether the whistleblower received any award from any other government agency for reporting factually related conduct, or whether the whistleblower recovered in any related civil suit.

V. GENERAL PROVISIONS

A. Applicability; No Private Right of Action

This MOU is an internal government agreement applicable to the Antitrust Division, USPS, and USPS OIG. It does not explicitly or impliedly create, confer, grant, or authorize any rights, privileges, benefits, obligations, or defenses, substantive or procedural, enforceable at law or otherwise, by any Party against the others, or by any third party, including a defendant, subject, target, or other party in litigation with the United States, against the Parties or the United States. This MOU has no legally binding effect on persons or entities outside of the Executive Branch. Nothing in this MOU is intended to conflict with statutes, regulations, or policies applicable to each Party. If a term of this MOU is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this MOU shall remain in full force and effect.

B. Funding

This MOU is not an obligation or commitment of funds, nor a basis for the transfer of funds. Unless otherwise agreed to in writing, each Party shall bear its own costs in relation to this MOU. Expenditures by each Party will be subject to its budgetary processes and to the availability of funds and resources pursuant to applicable laws, regulations, and policies. Any necessary transfer(s) of funds between the Parties will be effectuated through separate Interagency Agreement(s).

C. Dispute Resolution

This MOU is not intended to be enforceable in any court or administrative forum or to be referred to any third party for resolution. The Antitrust Division, USPS, and USPS OIG will work together at the investigation and charging stage to resolve issues that arise at the staff and supervisor level and, where necessary, unresolved issues will be directed to the Deputy Assistant Attorney General for Criminal Enforcement of the Antitrust Division, Chief Postal Inspector, and Inspector General, or their designees, who will attempt to resolve them.

D. Amendment

This MOU may be amended or modified only by mutual written agreement of all Parties, duly signed by their authorized representatives.

E. Notices

The following officials will act as liaisons between the Parties for the purpose of coordinating the implementation of, notices relating to, and modification(s), if any, of this MOU.

For the Antitrust Division:

Director of Criminal Enforcement, Antitrust Division

For the Postal Service:

Chief Counsel, U.S. Postal Inspection Service

For the USPS OIG:

General Counsel, USPS OIG

F. Confidentiality and Publicity

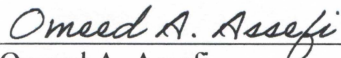
Except as otherwise provided herein, no Party will disclose the terms of this MOU, or information exchanged in accordance with this MOU, without first obtaining the other Parties' express written consent. Notwithstanding the foregoing, each party may make disclosures without the other Parties' consent as required by law or as required or requested by any federal governmental body in the proper exercise of its oversight or investigatory jurisdiction. The Parties will notify each other of any such disclosures made without the other Parties' consent, prior to the disclosure. Any public statements or press releases related to the subject matter of this MOU will be subject to the prior review and approval of all Parties.

G. Termination

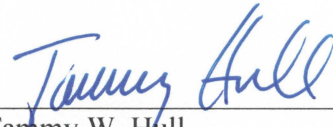
This MOU will remain in effect until terminated by any Party to this MOU upon 30 days' written notice to the individuals identified in Section V.E (Notices).

H. Effective Date

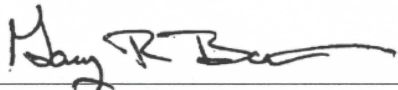
This MOU becomes effective on the latest of the three dates it is signed by the Parties identified below. The undersigned signatories for each Party represent that they have the requisite authority to enter into the MOU on behalf of their respective organizations.


Omeed A. Assefi
Acting Deputy Assistant Attorney General
Antitrust Division, US DOJ

Date: 5/7/2025


Tammy W. Hull
Inspector General
United States Postal Service
Office of Inspector General

Date: 5/7/25


Gary R. Barksdale
Chief Postal Inspector
United States Postal Inspection Service
United States Postal Service

Date: 5/7/2025