



# STANDARDS OF BUSINESS CONDUCT

## 1 An Overview Of The Standards

As an employee owned company VIRTEXCO is especially attuned to the important role every employee plays in the success of the company. Every employee should understand that VIRTEXCO's continued prosperity depends on its reputation. To maintain this reputation, VIRTEXCO has always promoted an organizational culture that encourages ethical conduct and a commitment to compliance with the law. To further support this culture VIRTEXCO has adopted a Code of Ethics and these Standards of Business Conduct. The Code and Standards are the cornerstone of VIRTEXCO's program for ethical business conduct and compliance with the law.

As an employee of VIRTEXCO you are required to:

- Abide by the VIRTEXCO Code of Ethics
- Read, understand and follow these Standards of Business Conduct
- Understand and follow the laws and regulations that apply to your job
- Seek guidance from your supervisor or other VIRTEXCO resource if you are uncertain about the Code or Standards, laws or regulations
- Participate in any compliance training required by the company
- Report any suspected violations of the law, regulations, the Code or these Standards to your supervisor, Compliance Officer, other company officer or the company's outside legal counsel

If you are a manager or supervisor you have additional responsibilities related to the Code and Standards. First, you must set a good example. Second, you must also monitor your employees and require them to comply with the Code and Standards.

Finally, you can NEVER retaliate against someone for reporting a suspected problem in good faith, even when they go outside the normal management chain or their concern is proven to be unfounded.

The company will periodically review its business practices, procedures, policies and internal controls for compliance with the Code and Standards. The company will also undertake periodic internal and/or external audits. If there is credible evidence of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations, a violation of the False Claims Act or significant overpayments on a contract, the company will report such violations to the government if appropriate. The company will also take appropriate disciplinary action. Further, the Code and Standards may be updated or amended to reflect changes in the laws, regulations or company policy. Make sure to consult the most recent version of the Code and Standards.

## **2 Where To Get Help And Report Suspected Problems**

You should normally proceed as you would in other situations by first considering the steps you can take to try to resolve the matter. When appropriate discuss the question or concern directly with the person involved. If that is not possible or it does not resolve the problem contact your supervisor. If your supervisor's response is not adequate or does not satisfy you or if it is uncomfortable or inappropriate for you to speak to your supervisor, contact any of the individuals identified below:

- Your Supervisor's supervisor (escalate further up the reporting chain as necessary)
- The company Compliance Officer, David Sterling, Vice President 757-404-9071, or via e-mail (Please call for the address).
- Any company officer
- VIRTEXCO's outside legal counsel, William M. Dozier 757-446-8686 or via email (Please call for the address).

The company is committed to doing the right thing and will not retaliate if you report suspected illegal or unethical conduct in good faith. However, you can make an anonymous report. The more information you provide, the easier it will be for the company to investigate and address the concern. If you are concerned that by giving detailed information the company will discover your identity bear in mind that the company is committed to maintaining confidentiality to the greatest extent possible and will disclose information only on a need-to-know basis. If you suspect that you are being retaliated against report the problem as you would a concern over suspected unethical conduct.

### **3 Retaliation Is Not Permitted And the Reporting Obligation**

Retaliation against someone who reports a problem in good faith will result in prompt and strong sanctions against the retaliator, up to and including termination.

Violations of the Code or Standards will also result in discipline, up to and including termination. In appropriate cases, the company may also seek damages or refer the misconduct to appropriate authorities for prosecution.

Every employee has an obligation to report serious violations of the Code or Standards even if they were not involved in the violation. Not reporting a serious violation could result in discipline. Managers and supervisors have a responsibility to follow up when they suspect potential misconduct. Looking the other way is not acceptable! Everyone is under an obligation to see that the company upholds the law.

The following are examples of misconduct that may result in discipline:

- Violating the Code, Standards or other company policy
- Requesting that others (employees or third parties) participate in conduct that would violate the Code, Standards or other company policy
- Not cooperating in a company investigation related to suspected violations of the Code, Standards or other company policies
- Retaliating against an employee or third party for good faith reporting of a suspected Code, Standards or policy violation
- Failing to provide the necessary leadership and failing to take responsibility for employee compliance with applicable laws and company policies
- Not promptly reporting a suspected serious violation

### **4 Special Rules For Doing Business with the Government**

When the U.S. government or other public entity is the customer special rules apply. These rules are in addition to other more general rules set forth throughout these Standards.

#### **4.1 Bids and Proposals – Procurement Integrity**

Sometimes the company may inadvertently obtain or receive confidential information related to government procurements or grants. This information should NEVER be used by the company unless it was publicly available or provided officially by the government. Using improperly obtained confidential information is illegal and can result in suspension or debarment of the company. If you inadvertently obtain confidential information promptly notify the company Compliance Officer. Under no circumstances should such information be used for any purpose.

The same rules that apply to the company on a government contract or grant apply to company subcontractors and suppliers that will do work on the contract or grant.

#### **4.1.1 Bid Rigging**

There are Federal and state laws against bid rigging, price fixing, collusive bidding and other anticompetitive conduct. Accordingly, no employee may enter into any agreement with another company to bid in such a way that a particular company will win the award. No employee is authorized to tell any other company anything about the amount of the company's bid, until after a public bid opening.

#### **4.1.2 Kickbacks**

A kickback scheme involves an arrangement between a contractor and customer representative, or a subcontractor and prime contractor or higher-tier subcontractor representative in which something of value (the kickback) is given by the lower tier entity to the higher-tier entity's representative as a payoff for ultimately receiving: (1) a contract or subcontract award, (2) another kind of favorable treatment that can help lead to contract award, (3) continued contractual relations, and/or (4) the recovery of additional money from the government through inflated bid prices. It is a violation of the Anti-Kickback Act and various state laws to provide, attempt to provide, solicit or offer to provide a kickback.

#### **4.1.3 Organizational Conflicts of Interest (OCI)**

An organizational conflict of interest occurs when due to pre-existing circumstances the company has a potential unfair competitive advantage or could be seen as not being impartial (having impaired objectivity) in obtaining or performing work. For example, the company might help the government develop specifications for a project, and the company could be perceived as having an unfair competitive advantage if it were to bid on the project. Specifically, an OCI means that because of other pre-existing activities or relationships:

- The company is unable or potentially unable to render impartial assistance or advice to the government, or

- The company's objectivity in performing the contract work is or might be otherwise impaired, or
- The company has an unfair competitive advantage.

Importantly, an OCI occurs even when there is only one of the elements present. Also, in several states, including Virginia, the OCI rules extend to cover activities of close family members. For example, if the spouse of an employee works for a design firm that prepares the specifications for a project, the company could be excluded from bidding for the project.

An OCI or potential OCI must be disclosed to the government. Sometimes safeguards can be put in place to mitigate the potential OCI issues and allow the company to bid on or perform the work. The company may also be required to certify that its subcontractors and suppliers have no OCIs.

## **4.2 Accuracy of Information and Reports**

Providing inaccurate or misleading information or reports to the government is illegal. All reports given to the government must be current, accurate and complete. Sanctions have been imposed on contractors for improperly front-loaded progress payments, payroll padding, inappropriate markups and even math errors. Carefully review all reports, information and invoices sent to the government.

### **4.2.1 Time Charging and Unallowable Costs**

It is not permissible to charge a customer for hours not actually worked, or to charge time worked to one contract that was actually worked on another contract. These rules always apply regardless of any direction you receive from a supervisor or even a government official. All time must be properly and accurately reported.

Generally, reasonable costs incurred in connection with reimbursable government contracts or change orders can be charged to the government as allowable costs. However, certain costs on government contracts are "unallowable" and cannot be charged such as alcohol, political contributions and first class travel. In addition, certain overhead costs not directly charged may be allowable and allocated to government contracts as indirect costs, while other such costs, including the costs of pursuing claims against the government, may not be allowable. Therefore, make sure that costs are properly identified so that the company can determine which costs may be unallowable.

### **4.3 Country of Origin Requirements**

Manufactured goods and raw materials shall be furnished in compliance with all contract requirements related to country of origin such as the Buy America Act, the Trade Agreements Act and the American Recovery and Reinvestment Act. For example, if the government contract or grant precludes items from a particular country they such items will not be obtained from such a country unless a written waiver is obtained from the government in advance.

### **4.4 Standards of Performance**

Ethics and integrity begin with the work product. The company strives for and insists upon strict compliance with all specifications or other customer requirements with zero defects. Products the company delivers and work it performs must be:

- Produced from the materials and of the quality specified
- Properly tested
- Meet all contract requirements
- Meet all referenced or appropriate industry standards
- Purchased only from contractually permitted sources

Work that is not performed by properly qualified personnel or product substitution without proper written government approval will not be tolerated! For example, if the contract requires welding to be performed by welders with particular certifications only properly certified welders shall perform the work. Similarly, if the government specifies 1/2" copper pipe it is not permissible to substitute 3/4" steel pipe, even if such pipe is better suited to the application, unless the change is approved by the government in writing.

### **4.5 Change Orders**

Read the contract and make sure you comply with all notice and other requirements related to changes to the work. While the company seeks to satisfy its customers timely notification of the intent to seek a change order or other contract adjustment is critical. Always obtain written direction from an authorized government official before proceeding with a change to the contract. The government is typically not bound by verbal direction or directions from unauthorized personnel such as inspectors. When negotiating a change order always provide current, accurate and complete information to the government.

## **4.6 Hiring Government and Former Government Employees**

Complex rules cover the hiring or even hiring discussions with government and former government employees. These rules are based on the concern that such discussions could improperly influence the government employee. Many senior government and contracting officials are subject to rules that prohibit or restrict the capacity in which they can work for a private company that does business with the government. Therefore, you should refer all hiring discussions with current and former government employees to the company Compliance Officer. If a former government employee works for the company they are expected to comply with all applicable laws and regulations related to such employment. When appropriate the company will require a copy of a written opinion from the applicable government ethics officer as to the permissibility of discussing employment or hiring a current or former government employee, or as to the allowable scope of such employee's work on behalf of the company.

## **4.7 Gifts, Entertainment and Business Courtesies for Government Employees**

Strict rules cover gifts, entertainment and business courtesies that can be offered to or accepted by government employees. A business courtesy is something provided at less than fair market value, such as free transportation, a cup of coffee or a donut. What may be considered customary and proper in the commercial world may be illegal in the government arena. The rules vary between Federal, state and local governments and between agencies, so you must become familiar with the rules applicable to each project and follow them to the letter.

Typically, providing simple refreshments such as coffee and donuts at a business meeting is allowed as long as the value does not exceed \$20 or an aggregate value of \$50 during a calendar year per government employee. Some government agencies prohibit employees from accepting anything for less than fair market value in which case you can provide a contribution cup to which they can contribute money to cover the reasonable value of the refreshments. Moreover, it is NEVER acceptable to buy a meal for a federal government employee.

Also, you should NEVER give a gift to a government employee unless it is a promotional item with the company name on it or other similar item of nominal value. Gifts should never exceed \$20 per item or an aggregate value of \$50 during a calendar year per government employee. Moreover, even if it is an item of nominal value always ask the government employee if he or she is allowed to accept the item.

Even minor gifts or entertainment should be avoided if they could have the appearance of impropriety. For example, NEVER offer a gift to a government employee or representative that is involved with the inspection or acceptance of work by the

company.

Keep in mind that the rules tie to the fair market value of the refreshment or gift. It does not matter what you paid for the item. For example, if you have a season ticket to a sporting event that cost you less than \$20 but which has a fair market value in excess of \$20 you cannot offer the ticket to a government employee. As another example, a “no-cost” airline ticket that you obtain with frequent flyer points with a market value in excess of \$20 cannot be given to a government employee.

Also, no matter what the value of the refreshment or gift it is always improper to offer the refreshment or gift if the intent is to improperly influence official action.

An employee that violates these rules will be subject to discipline up to and including termination.

## **4.8 Lobbying and Political Activity in the Government Context**

There are rules against the use of government resources such as computers, email, phones, fax machines and copiers for conducting lobbying or political activities. In addition, lobbying and political activities are not allowable costs and may not be charged to the government.

## **4.9 Background Checks**

The government typically includes contract and grant provisions that prohibit anyone that is suspended or debarred, or an illegal immigrant or someone on a list of suspected terrorists from working on the contract or grant. Managers and supervisors are expected to take reasonable steps, such as checking official government lists available on the Internet, and when required E-verify, to assure compliance with any such restrictions.

## **4.10 Hotline Posters and Self Reporting**

When required by government contract or grant the company shall provide a hotline for reporting concerns about violations of the Code or Standards, and will post the hotline information in appropriate locations. Where laws and regulations require the company to self report violations to the government the company will take appropriate action. Situations that may require the company to self report include situations where the company has credible evidence of a violation of federal criminal law involving fraud, conflict of interest, bribery or gratuity rules; or a violation of the civil False Claims Act or significant overpayments obtained from the government.

## **4.11 Subcontractors and Suppliers**

When required the Code, Standards and other applicable laws and regulations shall be flowed down to company subcontractors and suppliers. Remember, the company can potentially be held accountable for the actions of its subcontractors and suppliers.

## **5 Comply With Health, Safety and Environmental Protection Requirements**

Everyone who works for or with VIRTEXCO knows that safety is the highest priority. The company believes that providing a safe and secure work environment gives us a competitive advantage. The company's reputation depends on a strong safety record. Also, avoiding accidents and other safety violations save time and money and this benefits everyone in the company. Every employee is responsible for following safety policies and for helping to keep the workplace safe. Violations of safety policies should always be reported to your supervisor, project safety manager or company safety director. Failing to properly report a safety violation or asking another company employee not to report one is a violation of these Standards and may result in discipline.

The use of illegal drugs or reporting to work under the influence of drugs or alcohol is not permitted.

Personal weapons, such as guns, knives and other items intended to be used as weapons, should never be brought into the workplace. Violence, threats of violence, harassment, threatening remarks or gestures, or other disruptive behavior in the workplace is not acceptable.

Everyone must also abide by applicable environmental laws and regulations applicable to the work.

## **6 Treat All Employees Fairly and Respect Privacy**

Employment decisions, including hiring, promotion, pay, termination, training and job assignments, should be made on the basis of qualifications, experience, competence and performance, and not because of a person's protected characteristics, which may include gender, race, color, religion, national origin, marital status, pregnancy, age, disability, veteran status, or other characteristics protected by law such as political party, affiliations, associations, beliefs and sexual orientation. However, on government contract or grants the company may be obligated to implement special policies and procedures to recruit and hire minorities or veterans.

Employees should work in a safe and professional atmosphere, where merit and competence are vital, and diversity and trust are promoted. The company strives to

create a work environment that is free from harassment by coworkers, supervisors, suppliers, contractors and customers.

For personnel, payroll and certain routine operations, the company maintains and uses private and sensitive personnel information about employees (such as home addresses, education, resumes, medical history, social security numbers and compensation data) for legitimate business purposes. There are many privacy laws that govern the handling of such information. However, the company also depends on employees to respect information privacy by:

- Only accessing and sharing confidential employee data for legitimate business purposes, with proper approvals and on a need-to-know basis
- Not repeating or discussing information with anyone who is not approved to know such information
- Not requesting or requiring detailed information about an employee's health, except on a need-to-know basis

## **7 Observe Financial Controls**

VIRTEXCO's financial reports must comply with certain accounting principles, requirements imposed by its lenders or any surety that provides the company with bonding as well as various Federal laws and regulations that require its data to be current, accurate and complete. The company's ability to meet these requirements depends on employees' properly recording all data. Many projects take years to complete and the company uses financial personnel to estimate how much revenue and profit can be recognized for reporting financial results. These estimates depend on the accuracy of the information provided by project managers and project personnel. Managers must assure that adequate resources and oversight are devoted to properly implementing and following financial controls.

No employee should ever be pressured to alter financial or other data to achieve a particular result. Any manager, supervisor or employee who pressures or asks another employee to inappropriately alter financial results or other information, or who does so will be subject to discipline, up to and including termination.

Employees sometimes worry about reporting negative financial results to management, and they may want to delay doing so until the last minute. This tactic, however, will only make the problem worse and decrease the chance of solving or lessening the problem. At VIRTEXCO, all financial information, whether good or bad, needs to be reported accurately and timely. The company will not tolerate managers inappropriately holding back reserves, profits or other contingencies when a project is doing well purely to protect against possible bad results in the future. Reserves, contingencies and profits should be analyzed and reported using proper accounting policies.

Employees in many positions, departments and ranks have access to information about financial results and other business confidential information on a routine basis. It is important for all employees to keep this information confidential and not discuss it or allow it to be overheard by anyone that is not entitled to access the information.

## **8 Conflicts of Interest, Gifts, Entertainment, Business Courtesies and Fair Competition**

### **8.1 Conflicts of Interest in General**

A conflict of interest occurs when an employee's personal or financial interests take priority over the company's interests. An example is if a manager hires a subcontractor that is owned by a close relative. The manager's ability to fairly and objectively hire and then manage a subcontractor owned by a close family member could be compromised or appear to others to be compromised. This is called a conflict of interest and must be disclosed to the company. *Keep in mind that not every conflict of interest precludes the business relationship, but conflicts must be reported so that the company can make a prudent business decision that is in accord with any applicable laws or regulations.*

Examples of conflicts of interest include:

- Hiring or recommending the hiring of a supplier, subcontractor, agent or consultant where the employee has a close family member employed by, or has a substantial ownership stake in the entity
- Accepting a gift or favor from a supplier, subcontractor, agent or consultant that benefits personally a company employee or close family member
- Performing services for or serving as a director or consultant for a company competitor, supplier, subcontractor or agent while employed by the company
- Taking a business opportunity for yourself or close family member that rightfully belongs to the company or is in competition with the company
- Using company assets, contacts or other resources to start to support a private business or non-profit organization
- Serving on a board of directors or other advisory position for a company competitor, supplier, contractor, agent or customer
- Serving on a board of a company, non-profit or community organization when the other entity has a direct commercial relationship with the company

The rules on conflicts of interest apply to relationships with any company supplier, agent, contractor, consultant or customer as well as to any person or organization that is actively seeking to win business from the company.

A “close family member” is any person that is closely connected by blood, marriage, close affinity or formerly connected by marriage. This includes any person within the following relationship to a company employee: spouse, child, parent, sibling, half sibling, grandparent, grandchild, niece, nephew, uncle, aunt, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparent-in-law or step-grandchild. A close family member also includes an employee’s domestic partner or domestic partner’s child, parent, sibling, half-sibling, grandparent, grandchild or step-parent as well as anyone you claim as a dependent for tax purposes.

It is important to avoid even the appearance of a conflict of interest. When others perceive that the company or an employee has a conflict of interest that calls into question the company’s business integrity, this can be as damaging to the company reputation and business as an actual conflict of interest.

Many conflicts of interest can be resolved if they are properly disclosed to the company. For example, a manager might be excluded from making a purchasing decision or managing a contract that involves a close family member, but the company may still go forward with the purchase or contract if it is in the best interest of the company.

While many apparent and actual conflicts of interest can be resolved others are unacceptable. You should disclose any conflicts of interest to the company in advance to avoid risking disciplinary action.

## **8.2 Gifts, Entertainment and Business Courtesies (Non-government)**

To obtain and keep business, entertaining potential customers, existing customers and partners is part of accepted business practice. However, gifts, meals and entertainment with customers, suppliers and partners must be reasonable, not excessive and allowable under applicable laws and regulations. This applies whether you are giving or receiving such business courtesies. A business courtesy is something provided at less than fair market value. You must not compromise or appear to compromise the company’s ability to make objective business decisions. If others believe that a business decision was made because of a gift or business courtesy and not purely on the basis of merit and sound business judgment the company reputation will be harmed.

Special rules apply to government customers and relationships related to the performance of government contracts or grants. These are addressed in a separate section of the Standards titled *Special Rules for Doing Business with the Government*.

For non-government customers and relationships that are not related to the

performance of government contracts or grants common business courtesies that are usually acceptable and do not ordinarily require prior approval include: occasional meals with outside business associates, occasionally attending sports and other cultural events with business associates, occasionally accepting reasonable and customary gifts, and accepting promotional items of nominal value such as hats, shirts, golf balls, pens, notepads or coffee mugs.

When excessive gifts are received from suppliers, the item must be returned to the supplier with a clear explanation that the gift violates the Standards. In some cases, it is acceptable for the person who gave the gift to request that the item be donated to a charity of the company's choice.

Sometimes clients, suppliers and employees have an interest in having business dinners and entertainment that involve sexually inappropriate content. If this situation arises, you must explain tactfully that the company does not permit time or funds to be used for sexually explicit entertainment. Offering to pay for it personally or have the customer pay for it does not solve the problem. You may not do indirectly what you are prohibited from doing directly.

### **8.3 Bribery is Prohibited**

A bribe is an offer to give, giving or promising to give anything of value to IMPROPERLY influence actions by a third party. Bribes may include money, gifts, travel expenses, hospitality, vacations, cars, fishing, hunting, tickets, below market loans, reciprocal favors, political or charitable contributions, or any direct or indirect benefit or consideration. The company will not participate in the bribery of any third-party, public or private, either directly or indirectly. The company and participating employees may be liable not only for their actions but for the actions of agents in certain circumstances. For example, the company could be liable if the company knew that its agent was going to pay a bribe, and failed to take the appropriate steps to attempt to prevent such payment. Any company employee paying or facilitating a bribe will be terminated. In addition, the employee may be subject to personal liability and criminal prosecution.

### **8.4 Always Compete Fairly**

VIRTEXCO succeeds because it delivers superior services and results to its customers. Company employees should never agree to set pricing or contract terms in coordination with a competitor. The law prohibits price fixing, dividing territories, agreeing to terms, and other similar activities with competitors that negatively impact the consumer and are counter to free market principles. To compete in the marketplace it is appropriate to gather competitive information fairly, such as by conducting research in publicly available sources. However, the company is committed to avoiding even the appearance of improper information gathering.

Competitive information that is generally acceptable to use includes:

- Newspapers, press accounts or information publicly available on the Internet
- Other public information such as annual reports or published sales materials
- Conversations with customers, but not to obtain confidential information
- Customers providing a competitor's proposal that is not confidential such as after a public bid opening
- Trade shows, trade associations or industry conferences, but discussions with competitors related to anti-competitive practices is not allowed
- Industry surveys from reputable consultants and firms

Competitive information that is not allowable includes:

- Information about a competitor that someone offers to sell, unless it is a compilation of publically available information
- A competitor's confidential or proprietary information or something similar belonging to anyone else
- Confidential or proprietary information in any form discussed by new hires from prior employers
- Information about a competitor's bid prior to its public disclosure

Also, you should never disparage anyone with statements that are false or misleading.

## **9 Protect Confidential Information And Company Assets**

The company is often entrusted with highly confidential data and information. You must respect and protect all confidential information with the utmost care.

Company proprietary and confidential information, such as work processes, project procedures, customer and supplier lists, and personal information regarding employees, is invaluable. A variety of company policies and procedures exist in order to protect such company assets. It is equally important for every employee to be prudent and vigilant, both on and off the job, in protecting the confidential information. Discussing confidential company business in a public place, copying or archiving lists of employee social security numbers, answering questions that suppliers have about a coworker's position with or responsibilities in the company could have a significant negative impact on company business.

Managers and supervisors should make certain that confidential and proprietary information is provided to other employees only on a need-to-know basis and that safeguards are in place to protect this information from unintended or deliberate misuse.

From time-to-time the company enters into joint ventures or teaming agreements with other companies that can also be competitors, suppliers, customers or subcontractors in other circumstances. The company must take reasonable steps to protect confidential and proprietary information, both received and given, from accidental and inappropriate disclosure or from use outside the joint venture or team. Typically, joint venture and teaming agreements specify and limit access to company information and systems to certain individuals or for certain purposes. Those agreements are intended to protect the company and must be followed. This may include a requirement that anyone that receives the information signs a confidentiality agreement.

Likewise, the company often signs confidentiality agreements with customers or prospective customers where company employees have access to highly confidential information. In turn, the company may require employees to sign confidentiality agreements on specific projects.

Respecting confidentiality does not normally mean that an employee cannot use his or her professional knowledge and skills gained while working at the company or elsewhere. However, confidential and proprietary information from prior employment should stay confidential. Confidential and proprietary Information may include:

- Specific technical, design or process data
- Trade secrets or confidential information
- Software licenses
- Anything marked or intended to be confidential or proprietary and which is not publically available

Time is a company asset. Employees may need to conduct some personal business while at work such as calling home briefly to check on a sick child, emailing a spouse with a reminder or printing a grocery list. These activities are generally permissible when done within reasonable limits and as long as the job gets done. However, a problem is created when employees over-use or abuse company time or other assets for their personal gain. When on-the-clock your time is a company asset that should not be misused.

## **10 Respect Company Data Rights and Technology**

Patents copyrights and trademarks are legal terms that define when and invention, product, idea, written work or name are owned by an individual or company and use of those by others is prohibited without express permission.

Company employees may sometimes, on behalf of the company, develop ideas, processes and technology that will be protected by patents, copyrights and trademarks. This intellectual property belongs to the company or its customers and not the employee.

Company technology and information is critical to success. Everyone who uses a computer at the company is responsible for protecting such valuable resources. If you believe that anyone is placing the company resources at risk, you should immediately advise your supervisor or other company official.

There are some things you should never do while using company technology and systems:

- Access a company system using another person's credentials or information without permission or authorization
- Try to access information or technology for which you have not be granted permission to access
- Communicate offensive, inappropriate or illegal material to anyone inside or outside the company
- Forward chain letters either inside or outside the company
- Access the company system without going through proper IT security processes, or authorize or facilitate such access by any third-party such as a friend, family member, supplier or customer
- Add to or modify software or hardware on company computer equipment without approval

If you share your password, user ID, network access information or badge IDs with anyone, even a coworker or administrative assistant, you are responsible for any actions that person takes while logged into the company system.

The company's computer, telephone and electronic resources are intended for use by company employees to conduct company business. All email, voicemail and personal files stored on company systems are company property. You should therefore have no expectation of personal privacy in connection with these resources. The company reserves the right as permitted by law to monitor and review messages and information, whether sent or received, using company resources.

Many company employees have access to the Internet on their work computers. You should be careful to protect the company's reputation and business information by not posting any comments in chat rooms, blogs or message boards about the company, whether positive or negative, that could be attributed to the company. You should never use company time, property or networks for such communications. If you choose to do so outside of work, you should:

- Clearly state that these are your personal views and not the view of the company
- Ensure that your communications do not violate the law or company policy

## **11 Lobbying and Political Activity**

There are stringent legal restrictions on what a company can contribute, offer, promise or give to elected officials and their staffs. Employees may not give, offer or authorize to offer company funds or other employee assets for political purposes without prior approval. Political contributions are defined broadly and can include such things as:

- Contributing to a local, state or federal political candidate on behalf of the company
- Buying tickets for a political fund raising event
- Providing anything of value including meals, goods, services, travel, accommodations or tickets for sporting and entertaining events
- Loaning personnel or other corporate resources during working hours for political fund raising activities
- Paying for political advertisements or other campaign expenses

A political campaign contribution could be construed as a bribe if it is done in exchange for an action by the government official such as recommending the company for award of a government contract.

The company encourages political activity by employees in support of candidates or parties of their choice. However, you cannot use company time, property or equipment for your own political activities.

Lobbying requires various disclosures to the government and covers many kinds of activities. Federal lobbyists must be registered, and there are similar laws in various states. Before you make contact with legislators, regulators, executive branch officials or their staffs, or make an effort to influence legislative or administrative action on behalf of the company you should consult with the company Human Resource Manager and Compliance Officer.

## **12 Not an Employment Agreement**

While the Code and these Standards proscribe employee conduct they are not intended to serve as an employment agreement, or to provide any independent rights to company employees not otherwise available under applicable laws and regulations.

4852-2616-1412, v. 1