

**THE NEWTRON GROUP  
CODE OF BUSINESS ETHICS AND  
CONDUCT**

Dear Colleagues,

The Newtron Group (NGI) and its Subsidiaries, hereafter defined as NGI, has adopted the following Code of Business Ethics and Conduct (“Code”). The Code summarizes the principles that guide our actions as an organization. The Code is in no way a replacement to our Core Values, but rather a supplement thereto. Our Code applies to NGI companies and to our officers, employees, agents, consultants, contract labor, or others, when they are representing or acting for NGI. We expect our subcontractors and suppliers to be guided by these standards as well.

Each Employee will receive access to the Code and must certify and be trained on a biennial basis that they are familiar with and will comply with the Code.

The personal integrity of each employee and his or her commitment to the highest standards of personal and professional conduct are the foundations of NGI’s ethical culture. At NGI, we believe that ethical conduct requires more than simply complying with the laws, rules, and regulations that govern our business. We value teamwork, set team goals, assume collective accountability for actions, and reward leaders who meet their performance objectives while also exhibiting the behavior we value.

If you are faced with an ethical dilemma, your General Manager is usually the best source of information and guidance. In addition, the Core Values & Ethics Manager is available to assist you whenever necessary. Although your own common sense and good judgment should be your first guide to appropriate conduct, do not hesitate to contact your General Manager or the Core Values & Ethics Manager whenever clarification is necessary.

We are proud of our employees and the important role our companies play in our communities and our industry. Thank you for doing your part to create and maintain an ethical work environment.

PRESIDENT

John Schempf

## TABLE OF CONTENTS

	<b>Page</b>
I. INTRODUCTION AND POLICY STATEMENT .....	1
II. WORK SAFELY: PROTECT YOURSELF, YOUR FELLOW EMPLOYEES, AND THE COMMUNITIES IN WHICH WE LIVE .....	2
III. KEEP ACCURATE AND COMPLETE RECORDS; RECORD COSTS PROPERLY .....	3
A. Create Accurate Records.....	3
B. Retaining Company Records .....	3
IV. MAKE ACCURATE DISCLOSURES .....	4
A. Promote Transparent and Complete Disclosure .....	4
B. False Statements.....	4
C. False Claims.....	5
D. Cooperate Fully With Government Audits and Investigations.....	5
E. Obstruction of Justice .....	6
V. COMPETE ETHICALLY AND FAIRLY AND OBEY LAWS .....	6
A. Carefully Bid, Negotiate, And Perform Contracts.....	7
B. Proprietary Information .....	7
C. Gifts, Gratuities, And Business Courtesies.....	9
D. Business Courtesies To Employees .....	13
E. Know And Follow The Rules In Working With Former Government Officials.....	14
VI. LOBBYING RESTRICTIONS/POLITICAL ACTIVITIES.....	16
VII. STRICTLY COMPLY WITH ANTITRUST LAWS.....	17
VIII. CONTINGENT FEES .....	17
IX. AVOID PERSONAL CONFLICTS OF INTEREST .....	18
X. ORGANIZATIONAL CONFLICTS OF INTERESTS.....	19
XI. SUSPENDED AND DEBARRED CONTRACTORS.....	20
XII. CONTRACT PERFORMANCE .....	20
A. Quality Control .....	20
B. Relations with Prime Contractors .....	21
C. Submission of NGI Information .....	21

**TABLE OF CONTENTS**  
(Continued)

	<b>Page</b>
D. Contract Claims .....	21
XIII. COMPLIANCE & ENFORCEMENT .....	22
A. Responsibility, Enforcement.....	22
B. Internal Reviews .....	22
C. Obligation to Report .....	22
D. Non-Retaliation and Whistleblower Protections .....	23
E. Employee Discipline.....	23

## **I. INTRODUCTION AND POLICY STATEMENT**

This Code of Business Ethics and Conduct is a statement of our principles and expectations that guide ethical business conduct at NGI. The Code is in no way a replacement to our Core Values, but rather a supplement thereto. NGI require employees to use their best judgment, to be accountable for their actions, and to conduct business with integrity. We will conduct our business strictly in accordance with applicable laws and regulations. In particular, the laws and regulations related to doing business with the federal government are far-reaching and complex, thus placing responsibilities on NGI beyond those faced by companies without government customers. Compliance with the law, however, does not satisfy our entire ethical responsibility. Rather, it is an essential condition, a minimum standard for the performance of our jobs.

The Code applies to employees and governs our conduct among employees, customers, competitors, and our business providers (including suppliers, vendors, contractors and agents). In addition, the Code contains guidelines for employees to use in conducting its business activities in the United States Government marketplace. Thus, it also addresses business dealings by NGI with the U.S. Government and other contractors, such as prime contractors, relating to a Federal prime contract, subcontract or federal funds.

This Code is available online at [www.thenewtrongroup.com](http://www.thenewtrongroup.com). We expect you to be familiar with the Code and urge you to review it on a regular basis so that you may incorporate its standards into your daily practices. Current employees must certify on a biennial basis that they are familiar with and will comply with the Code, and must attend periodic “refresher” training.

As employees, you are expected to report any suspected violations of the Code or other irregularities to your General Manager, the Core Values & Ethics Manager, or the NGI Ethics Help Line at 225-906-9074. Reports of improper conduct will be treated confidentially and investigated and reported as appropriate to government authorities if NGI determines that there is credible evidence of prohibited conduct. As a matter of law and consistent with NGI policy, no adverse action or retribution of any kind will be taken against an employee because he or she reports a suspected violation of the Code or any other irregularity. Such reports shall be treated confidentially to the extent permitted by law and by the company’s need to properly investigate the situation.

Compliance with the Code is mandatory. Failure to comply may result in disciplinary action, up to and including termination of employment. In addition failure to comply may result in serious penalties for the employee as well as NGI, including administrative sanctions (*i.e.*, contract termination, federal suspension and/or debarment), financial penalties, and criminal prosecution. Violations of the laws and regulations addressed in this policy also could result in criminal and civil sanctions, including imprisonment and fines.

## **II. WORK SAFELY: PROTECT YOURSELF, YOUR FELLOW EMPLOYEES, AND THE COMMUNITIES IN WHICH WE LIVE**

NGI is committed to providing a drug-free, safe, and healthy work environment, to compliance with applicable environmental laws and regulations that government workplace health and safety.

As a government contractor, NGI has assumed certain responsibilities under Federal programs applicable to companies that conduct business with the United States Government. These programs ensure, among other things, equal employment opportunity for workers, maintenance of a drug-free workplace, and compliance with environmental laws.

The Drug-Free Workplace Act of 1988 requires Government contractors to provide a drug-free workplace and to notify their employees of the prohibition on unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace. FAR §§ 23.504(a)(2); 52.223-6(b). Contractors must also establish an ongoing drug-free awareness program and require employees to notify the contractor in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than 5 days after such conviction. *Id.* The contractor is then required to report the conviction to the Government contracting officer., if applicable.

NGI is committed to providing a drug-free work environment for employees in accordance with the Drug-Free Workplace Act. ***As such, Employees are strictly prohibited from the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the workplace.*** Any employee who violates this policy will face prompt disciplinary action, which could include dismissal from NGI. Employees must notify their General Manager within five calendar days of any arrest or conviction regarding a violation of a criminal drug statute occurring in the workplace.

Each of us is also responsible for compliance with environmental, health, and safety laws and regulations. Uphold our safety culture and observe posted warnings and regulations. ***You must immediately report to the appropriate level of management any accident or injury sustained on the job, or any environmental or safety concerns you may have.*** If you have any questions regarding applicable environmental laws and regulations, you may contact your General Manager.

## **III. KEEP ACCURATE AND COMPLETE RECORDS; RECORD COSTS PROPERLY**

### **A. Create Accurate Records**

NGI is committed to maintaining and providing truthful information that fully complies with applicable legal disclosure requirements. Accordingly, we must create and maintain accurate and complete company records. Transactions between NGI and outside individuals and organizations must be promptly and accurately entered in our books in

accordance with generally accepted accounting practices and principles, company policies, and any other applicable accounting standards or regulations (e.g., Cost Accounting Standards). Employees and General Managers are responsible for ensuring that labor, material and other direct project costs are accurately recorded and charged on the company's records. These costs include, but are not limited to normal contract work and bid and proposal activities. Employees performing United States Government contracts must be particularly careful to ensure that hours worked and costs are applied to the account for which they were in fact incurred. No cost may be charged or allocated to a Government contract if the cost is unallowable by regulations or contract provision or is otherwise improper.

***No one should rationalize or even consider misrepresenting facts or falsifying records. It will not be tolerated and will result in disciplinary action up to and including termination.***

## **B. Retaining Company Records**

Company records must be retained according to company policies regarding records retention and applicable laws, regulations and contract requirements. The laws governing Government contracts contain strict rules requiring NGI to maintain accurate and complete books and records, even after contract performance has ceased. Government contracts and subcontracts normally contain clauses that require compliance with record retention requirements of the FAR. Regulations governing the retention of records are contained in FAR Subpart 4.7, Contractor Records Retention, which applies to contracts that contain one of the following clauses:

- Audit and Records - Sealed Bidding (FAR 52.214-26)
- Audit and Records - Negotiation (FAR 52.215-2)

FAR 52.215-2, Audit and Records-Negotiation, provides for Contractor maintenance of records and the Government's right to NGI records documenting contract cost, performance, and supporting records for cost, funding or performance reports. Accordingly, it is essential that Employees maintain accurate and complete records (including records in electronic format) for the period(s) required by the contract and the FAR.

You may never destroy, alter, mutilate or conceal any record if you have been directed to retain it or if you know or contemplate or reasonably believe there is a possibility of any litigation, or any internal or external investigation concerning that record. NGI's Legal Department may suspend normal records retention procedures as to a particular matter due to requirements imposed by governmental agencies, courts, or other official bodies. The applicable records must be retained throughout the suspension period.

#### IV. MAKE ACCURATE DISCLOSURES

##### A. Promote Transparent and Complete Disclosure

*We must assure that statements and disclosures made in reports, documents, and other communications issued by NGI are full, fair, accurate, timely, and understandable.* This obligation applies particularly to accounting and finance employees with responsibility for the preparation of such reports, including drafting, reviewing, and signing or certifying the information contained therein.

If you have concerns about any aspect of our financial disclosures, you should talk to your General Manager, the accounting department, or the Core Values & Ethics Manager. Any employee who is contacted by another employee expressing concerns about questionable accounting, finance, or auditing matters must immediately report those concerns to the Core Values & Ethics Manager.

##### B. False Statements

Any false statement that is made to the Government, or passed to the Government through a higher-tier contractor, may expose NGI to severe criminal penalties. Federal law prohibits anyone from knowingly and willfully making any false statement concerning a matter within the jurisdiction of any department or agency of the United States. 18 U.S.C. § 1001. To incur liability under this provision, the statement need not be made directly to the Government. Instead, it is sufficient that the statement could affect some aspect of an agency's function (e.g., false statements to a federal prime contractor may also result in liability). The False Statements Act has been construed broadly by federal prosecutors and courts and extends to both oral and written statements (sworn or un-sworn), forms, certifications, invoices, letters, time cards, receipts and quotes.

*It is NGI's policy that statements made to the Government or to a higher-tier contractor is complete, accurate, and up-to-date.* In addition, if an employee is involved in proposals, bid preparations, or contract negotiations, the employee must be certain that statements, communications, and representations to prospective Government customers (and prime contractors) are accurate and truthful.

##### C. False Claims

Any request for payment or approval that is falsely made to the Government, or passed to the Government through a higher-tier contractor may expose NGI to severe civil and criminal penalties. The civil False Claims Act, 31 U.S.C. § 3729, prohibits the knowing submission of false or fraudulent claims to the Government for payment. The consequences of civil False Claim could be: (1) a fine for each false claim; (2) a fine equal to treble damages; and (3) the costs of prosecution. *Id.* A private party, or whistleblower, in a qui tam action, can bring directly by the Government or false claim actions. *Id.* In addition to a civil action, a false claim can lead to conviction under the criminal False Claims Act, 18 U.S.C. § 287, which imposes liability upon those who



knowingly make false, fictitious, or fraudulent claims against the United States. Violation of the criminal False Claims Act can result in severe penalties, including fines for convicted organizations and fines and imprisonment for a convicted individual. *See* 18 U.S.C. §§ 287, 3571, 3581.

***It is NGI's policy that claims made to the Government or to a higher-tier contractor is complete, accurate, and up-to-date.*** Further, members of NGI's management (or someone delegated in their absence) are the only persons at NGI authorized to approve claims on behalf of NGI.

#### **D. Cooperate Fully With Government Audits and Investigations**

As a government contractor, NGI also must be prepared to experience a variety of audits and investigations. NGI is committed to providing full cooperation in its dealings with government agencies or officials in connection with any investigation, audit or corrective action relating to NGI's government business, as called for by the clause at FAR 52.203-13. This includes, at a minimum, providing timely and complete information when requested. ***Employees are therefore required to fully cooperate with company and government auditors and investigators and to be truthful in their communications.*** Employees should consult their General Manager or a representative of the Chief Financial Officer or Core Values & Ethics Manager whenever a request for access to documents is made and before providing any documents to a government agency in connection with an audit or investigation or any other third party. Chief Financial Officer and Core Values & Ethics Manager are responsible for decisions regarding the provision of corporate records to the government or any other third party, based on a consideration of the nature of the request, the sensitivity of the information, and other relevant factors. If access is granted or they are provided to the government or a third party, appropriate steps will be taken pursuant to Company policies and procedures to protect the information from further disclosure, including under the Freedom of Information Act. Nothing in this Code, however, should be interpreted as discouraging you from reporting any illegal activity to the appropriate regulatory authority, or as requiring a waiver of the attorney-client privilege or any rights under the Fifth Amendment to the U.S. Constitution.

Government procurement investigations can be classified into four general categories: (1) audits, (2) interviews, (3) subpoenas, or (4) search warrants. Each step of an investigatory process presents unique issues. At times, there exists the possibility that NGI or its employees may forfeit or waive certain rights or advantages without knowing them. Accordingly, the company should always obtain legal advice prior to responding to any Government investigation. Employees should likewise immediately notify the Core Values & Ethics Manager if approached by a Government official in connection with an investigation.

Three overriding principles should guide NGI in areas of contact with the Government:

- NGI and its employees have an absolute right to consult with legal counsel before taking any action. Employees should always obtain legal advice prior to responding to a Government investigation.
- NGI and its employees must not alter or destroy any documents relating to the investigation or take any action that would improperly hinder the investigation.
- In any conversation with a Government agent, you should either (a) decline to answer or (b) if you do answer, tell the truth.

#### **E. Obstruction of Justice**

The Government uses a variety of criminal statutes to punish and deter interference with Federal audits and investigations. In addition, statutes specifically prohibit employees from engaging in certain behavior:

- Knowingly and willfully making false statements (oral or written) concerning a matter within the jurisdiction of any department or agency of the United States;
- Falsifying, concealing, or covering up a material fact that is required to be disclosed;
- Attempting to influence, obstruct, or impede a Federal auditor in the performance of official duties;
- Attempting to influence, obstruct, or impede the due administration of justice, including grand jury proceedings, investigatory actions such as DCAA audits, and civil litigation by the Government.

In addition to these prohibitions, the Federal witness tampering statute prohibits influencing a witness or informant by threats, force, or misleading conduct with the intent to hinder, delay, or prevent the communication of information to a Federal law enforcement officer regarding the possible commission of an offense. NGI takes cooperation with Federal audits and investigations seriously. Accordingly, employees must cooperate with investigators and be truthful in their communications.

#### **V. COMPETE ETHICALLY AND FAIRLY AND OBEY LAWS**

NGI's reputation depends heavily on the actions and integrity of its employees. Additionally, there are numerous laws and regulations that have been enacted to promote integrity and fair competition in the marketplace, including laws and regulations that govern conduct between NGI companies and government employees and representatives. These laws have been enacted to promote fair competition in the Government marketplace and have been designed to ensure that businesses working with the Government operate on "a level playing field," and to prevent corruption, fraud, waste and abuse.

NGI is committed to full compliance with the full range of procurement integrity laws and regulations and will compete fairly and ethically for business opportunities. *NGI has a "no tolerance" policy for violation of these laws and regulations, many of which can*

*expose the company and individual Employees to criminal, civil, and/or administrative sanctions.* Familiarity with the policies contained herein will help ensure that NGI does not engage in unacceptable conduct. If you are unsure of how the law applies to your government-related activities, you should contact your General Manager or the NGI Core Values & Ethics Manager.

**A. Carefully Bid, Negotiate, And Perform Contracts**

If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that statements, communications, and representations to prospective customers are accurate and truthful. This is especially true with respect to communications with United States Government officials or representatives. Moreover, in negotiating contracts with the U.S. Federal Government, there is an affirmative duty in certain circumstances to disclose (and certify) current, accurate, and complete cost or pricing data.

Accordingly, *personnel involved in the preparation or submission of proposals and bids, or in the negotiation of any contract, order or modification, must be certain that statements, communications, and representations to Government customers are accurate and truthful.* Once awarded, NGI personnel involved in the performance or administration of any Government contract must also be certain that work is performed in compliance with the relevant contract specifications, requirements and clauses, and that statements, communications, and representations to Government customers – including any claims for payment – are accurate and truthful. Any suspected violations of these obligations, or suspected fraud or improper conduct in connection with any Government contract or subcontract, should be promptly reported to your General Manager, the NGI Core Values & Ethics Manager at 225-906-9074.

**B. Proprietary Information**

Proprietary information may not be disclosed to anyone without proper authorization. Keep proprietary documents protected and secure. In the course of normal business activities, suppliers, customers, and competitors may sometimes divulge to you information that is proprietary to their business. Respect these confidences and ensure that you are in full compliance with any proprietary information or non-disclosure agreements.

Additionally, in order to maintain the public's confidence in the integrity of the procurement system, Congress has enacted laws such as the Procurement Integrity Act, 41 U.S.C. § 423, which prohibit the disclosure or receipt of competition-sensitive information before the award of a contract to which the information relates. These prohibitions are intended to maintain a level playing field in competitive procurements by preventing one potential competitor from obtaining an advantage over others by having improper access to sensitive procurement information.

Employees involved with our government business must be aware of and comply with these restrictions on use and receipt of competition-sensitive information, including the following:

- **Prohibitions On Obtaining Competitor Information.** Federal law prohibits a company competing for the award of a Government contract or subcontract from knowingly obtaining, and current or former Government employees from knowingly disclosing, “contractor bid or proposal information” before the award of a Federal contract to which the information relates. For purposes of this prohibition, “contractor bid or proposal information” includes any of the following information submitted to a Federal agency as part of or in connection with a bid or proposal, if that information has not been previously made available to the public or disclosed publicly:
  - Cost or pricing data
  - Indirect costs and direct labor rates;
  - Proprietary information about construction processes, operations, or techniques marked by the contractor in accordance with applicable law or regulation; or
  - Information marked as “contractor bid or proposal information.”
  
- **Prohibitions On Obtaining Source Selection Information.** Federal law also prohibits a company competing for the award of a Government contract or subcontract from knowingly obtaining, and current or former Government employees from knowingly disclosing, “source selection information,” which includes:
  - Bid prices submitted to the Government, as well as proposed costs or prices submitted to the Government;
  - Source selection plans and technical evaluation plans;
  - Evaluations of technical and cost/price proposals, competitive range determinations, rankings of bids, proposals, or competitors, and/or reports and evaluations of source selection panels, boards, or advisory councils; and
  - Other information marked “Source Selection Information.”

Criminal, civil, and administrative penalties are prescribed for improper disclosure and receipt of these types of information. Accordingly, *NGI does not solicit nor will it receive any sensitive proprietary Government information, including budgetary or program information, before it is available through normal processes. Nor will NGI solicit or receive any proprietary bid and proposal information of its competitors.* In circumstances where you have reason to believe that the release to you of non-public information is unauthorized, you should not accept such information from any source. If despite your best efforts such information is received by you:

- Do not read the information or if you have begun reading the information, immediately stop reading it;
- Immediately quarantine the information;
- Ensure that no other person reviews the information; and
- Promptly notify the Core Values & Ethics Manager and the Core Values & Ethics Manager.

Further, in situations where NGI is lawfully in possession of “contractor bid or proposal information” or “source selection information” before the award, employees are prohibited from improperly disclosing it.

### C. Gifts, Gratuities, And Business Courtesies

Federal law prohibits the giving, offering, or discussion of offering of anything of value, called a gift or gratuity, to a Government employee or representative for or because of an official act. Moreover, anything of value offered or given to a relative of a Government employee or representative may be considered an offer directly to the individual with whom that business relationship exists. You also should know that Federal, state, and local laws and regulations that prohibit their employees from accepting business courtesies from firms and persons with whom those departments and agencies do business or over whom they have regulatory authority govern government departments and agencies.

The rules governing gifts to government employees or representatives are strictly interpreted. ***Therefore, it is NGI’s policy that no employee shall give, offer, or discuss offering a business courtesy, regardless of value, to any employee or representative of the United States Government, state or local departments or agencies.*** Although narrow exceptions to these rules may exist under certain circumstances, you should never rely on any of these exceptions to the general rule prohibiting business courtesies to government employees and representatives. Instead, prior to offering any business courtesy in any amount to any government employee or representative, you must receive written approval from NGI’s Core Values & Ethics Manager’s Office.

Failure by any Employee to observe and follow NGI’s policies on gifts and gratuities to and from government employees and representatives may result in severe penalties to the individual and possibly to NGI. These penalties may include, but are not limited to, administrative sanctions (e.g., contract termination, Federal suspension and/or debarment of NGI), financial penalties, and criminal prosecution. Violations of the laws and regulations governing gifts and gratuities also could result in criminal and civil sanctions including imprisonment and fines of up to \$500,000. NGI will discipline any employee who violates its gift and gratuity policy. Such disciplinary action may include suspension, transfer or dismissal, deductions and set-offs from employee compensation, and other appropriate action.

## 1. Improper Payments/Bribery

Bribery of a public official is a serious criminal offense. A bribe is defined as a thing of value given with the specific intent to influence an official act (or failure to act) or to obtain favorable treatment. NGI and its employees will not, directly or indirectly, offer, solicit, make or provide any kind of payments, contributions for the purpose of:

- Obtaining, giving, or keeping business;
- Influencing customers, suppliers, or United States or foreign government entities including their officials or employees;
- Persuading any officials or employees of another company to fail to perform or to improperly perform their duties; or
- Influencing legislation or regulations other than through appropriate lobbying and legitimate political activity.

Engaging in any of these actions with public officials can be perceived as bribes. A number of laws prohibit the giving and receipt of bribes to public officials and make it a crime for a public official to ask for or accept a bribe. Penalties for violating these laws are severe, for both the company and the individual. ***Therefore, you must avoid any action that creates even the appearance of a violation of these bribery laws.*** Any employee who is offered or has information concerning such payments, favors, or contributions must contact the NGI's Core Values & Ethics Manager's Office immediately. NGI's "no tolerance" policy for violations of the bribery laws will result in the dismissal of the employee(s) and may also result in criminal prosecution by the government.

## 2. Kickbacks

NGI is committed to ensuring that transactions and business dealings with its prime contractors, subcontractors, and suppliers are conducted fairly, in accordance with the NGI Code and in compliance with the provisions of the Anti-Kickback Act of 1986, 41 U.S.C. §§ 51-58. The Anti-Kickback Act forbids prime contractors and subcontractors from offering, soliciting, providing, or accepting anything of value for the purpose of obtaining or rewarding favorable treatment in connection with the award of United States Government prime contracts and subcontracts. The Act also imposes an affirmative obligation on contractors such as NGI to report violations to the Government where there are reasonable grounds to suspect a violation exists.

The Anti-Kickback Act is broadly interpreted and vigorously enforced. The term "kickback" is broadly defined to include:

Any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind which is provided, directly or indirectly, to any prime contractor, prime contractor employee, subcontractor, or subcontractor

employee for the purpose of improperly obtaining or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a prime contract.

41 U.S.C. § 52; FAR 3.502-1.

The concept of “favorable treatment” is likewise broadly defined to include, but is not limited to:

- Disclosure or receipt of confidential information relating to competitor bids;
- Knowingly accepting or providing inferior products which do not meet contract specifications;
- Placement on a bidder’s list without meeting the requisite qualifications;
- Removal of a qualified competitor from a bidder’s list;
- Adding or recovering improper or unallowable expenses; and
- Improper award of a subcontract or orders under a subcontract.

For example, any money, meals, trips, lodging, tickets to sporting events, loans, transportation, beverages, or personal services given to a representative of a customer involved in Government contracting or subcontracting may be considered a violation of the Anti-Kickback Act if it is provided for the purpose of obtaining or awarding favorable treatment in connection with a Government prime or higher-tiered subcontract.

In light of these restrictions, it is NGI’s policy that:

- NGI must never pay, offer, or give a kickback in an effort to receive a contract or subcontract;
- NGI must never solicit or receive a kickback from any party seeking a contract;
- NGI must never include, directly or indirectly, the amount of any kickback (i) in the contract price charged by a NGI subcontractor to a higher tier subcontractor or to NGI or (ii) in the contract price charged by NGI to the United States Government or to a prime contractor.

***Any employee, who offers, provides, solicits, accepts or discusses offering or accepting a “kickback” will face prompt disciplinary action, which could include dismissal from NGI.*** The employee may also face criminal, civil, and/or administrative prosecution by the Government. If you have reason to suspect a violation has occurred, contact the Core Values & Ethics Manager and the NGI’s Core Values & Ethics Manager’s Office.

### 3. Business courtesies to non-government persons

It is an acceptable practice for Employees to provide meals, refreshments, entertainment, and other business courtesies of reasonable value to non-government persons in support of commercial business activities, provided that the business activity is not related to or in connection with a contract with the government (either prime or subcontract) and:

- The practice does not violate any law, regulation, contract requirement, or the standards of conduct of the recipient's organization;
- The courtesy is associated with a proper business, purpose, is reasonable in cost, appropriate as to time and place;
- The courtesy is not provided for the purpose of influencing or giving the appearance of influencing the recipient; and
- The business courtesy must be consistent with marketplace practices, infrequent in nature, and may not be lavish or extravagant. While it is difficult to define "lavish or extravagant" by means of a specific dollar amount, a common sense determination should be made consistent with reasonable practices.

Approval may be granted by the General Manager or the NGI's Core Values & Ethics Manager's on a case-by-case basis for NGI personnel to provide hospitality to non-government persons at widely attended industry functions.

### 4. Foreign Corrupt Practices

NGI's policy against gifts, gratuities, bribes, and improper payments extends to officials of foreign governments and public international organizations. NGI's commitment to the highest ethical and legal standards includes a commitment to compliance with the Foreign Corrupt Practices Act. 15 U.S.C. §§ 78m, 78dd-1 to 78dd-3. ***Accordingly, no officer, employee, or third-party representatives or persons acting on their behalf shall give or offer to give anything of value to any foreign government official for the purpose of influencing such individual in his official capacity or causing such official to influence the foreign government in order to obtain or retain business or to secure any improper advantage.*** Even mere offers to make payments to influence foreign government officials (either made directly or through a third party) that are unsuccessful are prohibited.

Companies and individuals found in violation of the Foreign Corrupt Practices Act may be subject to substantial civil and/or criminal fines, suspension and/or debarment from Federal contracting, imprisonment, and/or forfeiture of property. If you have any reason to suspect that a violation has occurred, you must contact your General Manager or the Core Values & Ethics Manager immediately.



#### **D. Business Courtesies To Employees**

Although an employee may not use his or her position at NGI to solicit or receive business courtesies, it is permissible to accept unsolicited meals, refreshments, entertainment, and other business courtesies on an occasional basis, provided:

- The acceptance does not violate the Anti-Kickback Act and is otherwise consistent with law;
- The acceptance will foster goodwill and successful business relations;
- The courtesies are not lavish or extravagant under the circumstances;
- In general it is acceptable to receive minor courtesies when given to a large group and not to specific employees.
- The courtesies are not frequent and do not reflect a pattern or the appearance of a pattern of frequent acceptance of courtesies from the same entities or persons; and
- The employee accepting the courtesies should discuss the courtesies with his or her General Manager

It is the personal responsibility of each employee to ensure that his or her acceptance of such meals, refreshments, and entertainment, consistent with our Core Values and beliefs, or business courtesy is proper and could not reasonably be construed in any way as an attempt by the offering party to secure favorable treatment.

If you buy goods or services for NGI or are involved in the procurement process, you must treat suppliers uniformly and fairly. In deciding among competing suppliers, you must objectively and impartially weigh facts and avoid even the appearance of favoritism or impropriety. If you have any questions or concerns you should contact your General Manager or the NGI Core Values & Ethics Manager.

#### **E. Know And Follow The Rules In Working With Former Government Officials**

Extensive conflict of interest laws and regulations govern the employment or use of former military and civilian government personnel. These rules extend to contact or negotiations with current government employees to discuss their potential employment by the company or their use as consultants or subcontractors. Employees must be alert to the effect of these restrictions on NGI's activities in the Federal marketplace:

##### **1. Hiring Former Government Officials**

- *Restrictions On Employment Discussions:* The Federal Government has enacted a number of conflict of interest laws and regulations that the

employment or use of former military and civilian Government personnel. For example, under the Procurement Integrity Act, certain designated former agency officials involved in a procurement over \$10 million (including but not limited to the Contracting Officer, the source selection authority, the program manager, deputy program manager or administrative Contracting Officer) are prohibited from accepting compensation from any company involved in the procurement as an employee, officer, director, or consultant for one year. Similarly, Employees must not engage in employment discussions with an agency official who is participating personally and substantially in competitive Federal agency procurement in excess of \$100,000 where NGI is competing as a prime contractor or subcontractor in connection with that competitive procurement.

- *Obtaining Agency Ethics Opinions.* Federal law also prohibits contractors from knowingly paying compensation to certain former DoD official within two years after the official leaves DoD, without first determining that the official "has sought and received (or has not received after 30 days of seeking) a written ethics opinion" from the relevant DoD ethics official. (Pub. L. No. 110-181, Sec. 847) These restrictions apply to officials in the Senior Executive Service or an Executive Schedule position, as well as general or flag officers and certain procurement officials. Because the penalties for violating these restrictions are severe, and can include rescission of existing contracts or suspension or debarment from future contracts, you should consult with [senior management] and Human Resources to ensure appropriate ethics opinions are obtained before hiring former DoD officials.

***NGI will not discuss employment opportunities with Government employees without first complying with applicable procedures for doing so, including receipt of a written ethics opinion from the employee's ethics counsel, which is subject to review and approval by NGI counsel.*** Prior clearances to discuss possible employment with, to make offers to, or to hire (as an employee or consultant) any current or former Government employee (military or civilian) must be obtained from the Core Values & Ethics Manager's Office.

## 2. Post-Government Employment Restrictions/Conflicts Of Interest

In addition to the restrictions on hiring Government employees, Federal conflict of interest laws also place restrictions on the activities that former Government employees may undertake on behalf of NGI:

- Former Government employees are *permanently barred* from knowingly communicating with the Government on behalf of another entity with the intent to influence the Government on matters that the former Federal employee *personally and substantially* worked on during their employment with the Government. 18 U.S.C. § 207(a)(1). (Note: This former employee

may however work “behind the scenes” by advising other persons preparing the entity's contract proposal, subject to applicable prohibitions on disclosure of information.)

- For a period of *two years*, former Federal employees are prohibited from communicating with the Government regarding matters for which the former employee had *official responsibility*. 18 U.S.C. § 207(a)(2).
- For a period of *one year*, former Federal employees who occupied certain senior and very senior positions are prohibited from knowingly communicating or appearing on behalf of any other person, before the department or agency in which the former employee served. 18 U.S.C. § 207(c), (d).
- For a period of *one year*, former Federal employees are prohibited from aiding or advising anyone concerning ongoing trade or treaty negotiations in which the former employee personally and substantially participated and had access to protected information. 18 U.S.C. § 207(b).
- Finally, no *current* Government employee may participate personally and substantially in a matter affecting the financial interest of any entity with whom the employee is negotiating employment or has any arrangement regarding future employment. 18 U.S.C. § 208.

Whenever a former Federal employee is hired, any restrictions placed on his/her activities under these restrictions should be noted in that employee’s personnel file. Employees are required to review such restrictions prior to staffing former Government employees on a matter, and former Federal employees employed by NGI are required to notify their superiors of such restrictions prior to being staffed on a matter. ***Any employee who violates these policies will face prompt disciplinary action, which could include dismissal from NGI.*** The employee may also face civil/criminal prosecution by the Government.

## **VI. LOBBYING RESTRICTIONS/POLITICAL ACTIVITIES**

NGI encourages its employees to become involved in civic affairs and to participate in the political process. Employees must understand, however, that their involvement and participation must be on an individual basis, on their own time, and at their own expense. Federal law prohibits corporations from donating corporate funds, goods, or services, directly or indirectly, to candidates for Federal offices—this includes employees’ work time. Federal law also prohibits government contractors from using appropriated Federal funds to influence or attempt to influence an officer or employee of an executive agency, a Member of Congress or his or her employees, or an officer or employee of Congress, in connection with certain activities, including: (a) the awarding of any Federal contract; or (b) the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. See 31 U.S.C.A. § 1352(a). In addition,

Federal law requires that contractors disclose lobbying contacts made in connection with particular government contracts, even when those contacts do not involve appropriated funds. Finally, local and state laws also govern political contributions and activities as they apply to their respective jurisdictions.

Thus, a corporation's activities are limited significantly by Federal and state law. For this reason, no political contribution of corporate funds or use of corporate property, services, or other assets may be made without the written approval of the Core Values & Ethics Manager's Office. In this connection, indirect expenditures on behalf of a candidate or elected official, such as travel on corporate aircraft or use of telephones, photocopy machines, and other corporate equipment, may be considered corporate contributions. In no event will an employee be reimbursed in any manner for political activities. Any questions should be referred to the NGI's Core Values & Ethics Manager.

## **VII. STRICTLY COMPLY WITH ANTITRUST LAWS**

Antitrust is a blanket term for laws that protect the free enterprise system and promote open and fair competition. These laws deal with agreements and practices such as price fixing, boycotting suppliers or customers, pricing intended to run a competitor out of business, disparaging, misrepresenting, or harassing a competitor, stealing trade secrets, bribery, and kickbacks.

Antitrust laws apply to domestic and some foreign transactions by United States businesses. Because verbal exchanges can be viewed as an agreement, you need to exercise caution whenever you meet with customers or competitors. Some of the most common antitrust issues with which an employee may be confronted are in the areas of pricing, bid rigging, market allocation, boycotts, and trade association activity.

The following actions may be perceived as anti-competitive and, accordingly, may constitute violations of law and must not be engaged in under any circumstances:

- An agreement with one or more competitors to agree on prices, allocate markets or customers, boycott certain suppliers, or limit production or quality;
- Any form of collusive action in pricing a bid to a customer such as bid rigging;
- An agreement with a customer to dictate resale prices, give preferential pricing or terms, restrict marketing efforts (territory, customers), require tie-in sales (require purchase of one product as condition of selling another), or engage in reciprocal dealing.

Antitrust laws are vigorously enforced. Violations may result in severe penalties such as significant fines against NGI. There may also be sanctions against individual employees, including substantial fines and prison sentences. Because the antitrust laws are complex, employees are instructed to take special care in this area. This Code is not a substitute for legal advice. *Any questions on the interpretation of the antitrust laws should be referred promptly to the NGI's Core Values & Ethics Manager.*

## **VIII. CONTINGENT FEES**

Federal law limits NGI's ability to enter into "contingent fee" arrangements. See 10 U.S.C. § 2306(b); 41 U.S.C. § 254(a); FAR 3.402. The prohibited "contingent fees" are defined as any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing a Government contract. FAR 3.401.

An exception exists for "contingent fee" arrangements between contractors and a "bona fide agency" or "bona fide employee." 10 U.S.C. § 2306(b); 41 U.S.C. § 254(a); FAR 3.402. A "bona fide agency" is defined as an "established commercial or selling agency, maintained by a contractor for the purpose of securing business that neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government . . . contracts through improper influence." FAR 3.401. A "bona fide employee" is defined as "a person, employed by a contractor and subject to the contractor's supervision and control as to time, place, and manner or performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Government contracts nor holds itself out as being able to obtain any Government... contracts through improper influence." *Id.*

***NGI prohibits the use of "contingent fee" arrangements with any entities other than "bona fide agency" or "bona fide employee."*** If you are approached regarding entering into a contingent fee arrangement with a person or agency, immediately contact the NGI's Core Values & Ethics Manager.

## **IX. AVOID PERSONAL CONFLICTS OF INTEREST**

***It is NGI's policy that of its business transactions and relationships must be free from even the appearance of impropriety.*** It is the responsibility of Employees to act in a fair and impartial manner in business dealings, to place the interests of NGI over personal interests in matters relating to NGI business, and avoid financial, business, or other transactions or situations in which personal interests might conflict with, or be construed to conflict with, the interests of NGI. Such situations may arise from relationships with customers, competitors, and suppliers, present or prospective employees, or from the acquisition or use of company assets for personal gain.

NGI is committed to ensuring that transactions and business dealings with its prime contractors, subcontractors, and suppliers are conducted fairly and in accordance with the Code of Business Ethics and Conduct. "Playing favorites" or having conflicts of interest—in practice or in appearance—runs counter to the fair treatment to which we are entitled. Avoid any relationship, influence, or activity that might impair, or even appear to impair, your ability to make objective and fair decisions when performing your job. You must notify the Core Values & Ethics Manager of benefits you obtain from third parties because of your position, and must pay over to the company such benefits that are capable of being transferred. Benefits subject to notification include, for example, interest-free or low-interest loans.

Although it is virtually impossible to list every circumstance that may create the appearance of a conflict of interest, here are some other ways a conflict could arise:

- Employment by a competitor or potential competitor, regardless of the nature of the employment, while employed by NGI.
- Acceptance of gifts, payment, or services from those seeking to do business with NGI.
- Placement of business with a firm owned or controlled by an employee or his/her family.
- Ownership of, or substantial interest in, a company that is a competitor or a supplier.
- Acting as a consultant to a NGI customer or supplier.

Apparent conflicts of interest can arise easily. Any employee who feels that he or she may have a conflict situation, actual or potential, should report pertinent details to the General Manager or the NGI's Core Values & Ethics Manager.

Outside employment also may constitute a conflict of interest if it places an employee in the position of appearing to represent the company, involves providing goods or services substantially similar to those the company provides or is considering making available, or lessens the efficiency, alertness, or productivity normally expected of employees on their jobs. The employee's immediate General Manager should approve employment that raises any question in this regard in advance.

## **X. ORGANIZATIONAL CONFLICTS OF INTERESTS**

NGI also must be attentive to so-called "organizational conflicts of interest" which may result from prior Government work performed by the company. The organizational conflicts of interest rules address the general situation where, because of previous work for the Government, a company is deemed to be unable to provide impartial assistance or advice to the Government, the company's objectivity in performing work is impaired, or the company has an unfair competitive advantage.

Such a situation may occur, for example, where a company under contract with a Federal agency develops specifications for an item that will be the subject of a future competitive acquisition. Other such situations may arise where a contractor provides systems engineering and technical direction for a system or provides proposal evaluation for products and services. In such circumstances, the company may be precluded from competing to provide the item for which it developed the specifications, or it may be required to implement certain measures (such as "firewalls," non-disclosure agreements and other organizational controls) to mitigate the potential conflict.

In addition, as a Government contractor, NGI may be required to select its subcontractors and suppliers, including NGI subsidiaries or affiliates, on a competitive basis. In those cases, where a NGI entity or business unit may be a potential subcontractor or supplier to another NGI entity or business unit under a Government contract, special attention must

be given to ensure that the negotiations and competition are conducted fairly and impartially and that the ultimate negotiated price is fair and reasonable.

Employees must be attentive to situations that may create potential organizational conflicts of interest. Employees must also be sure to comply with any restrictions imposed to mitigate potential conflicts. *If you believe an organizational conflict of interest could exist for work NGI seeks with the United States Government, or have any questions regarding mitigation requirements, please contact the Core Values & Ethics Manager.*

## **XI. SUSPENDED AND DEBARRED CONTRACTORS**

Federal regulations restrict the ability of contractors to subcontract with individuals or entities that are debarred, suspended, or proposed for debarment. FAR § 52.209-6. It is NGI's policy not to do business with such persons or companies in the Government marketplace. Thus, NGI will not, in the performance of United States Government contracts and subcontracts at any tier, knowingly form a new contract with, make a new purchase from, or enter into any new business, relationship with any individual or company that is listed by a Federal agency as debarred, suspended, or proposed for debarment.

The United States Government publishes a list of persons and companies that are suspended or debarred from performing Government contracts, the Excluded Parties List System ("EPLS"). The EPLS, which can be accessed online at <http://epls.arnet.gov>, should be reviewed prior to engaging the services of any individual or entity in connection with any of NGI's Government funded contracts.

## **XII. CONTRACT PERFORMANCE**

### **A. Quality Control**

We are committed to producing quality products that meet contractual obligations and our own quality standards. The products we deliver must:

- Meet contract specifications.
- Be made from the quality of materials ordered.
- Be properly tested and inspected.
- Be properly identified as to domestic or foreign-origin, if applicable.
- Be safe for their normally intended uses, and be accompanied by proper instructions.
- Meet applicable laws and regulations and industry standards.

Our comprehensive quality control system helps to ensure that our customers, including the Federal Government, receive the highest quality product at a reasonable price. It also is essential that you monitor the quality of NGI's products and services and upholds NGI's reputation for quality.

**B. Relations with Prime Contractors**

A number of laws and regulations applicable to prime contractors dealing with the Government do not directly apply to subcontractors. However, it is essential that you recognize and acknowledge the spirit of those regulations in dealing with prime contractors. With the increased emphasis on propriety in Government contracting, many prime contractor obligations and certification requirements are now being passed on to subcontractors. You must carefully consider and comply with the obligations a prime contractor passes onto NGI in a subcontract. Following these guidelines furthers NGI's policy that of its sales as well as of its purchases of products and services will be accomplished in a manner that preserves the integrity of the procurement process.

**C. Submission of NGI Information**

It is common for Federal contractors or subcontractors to receive requests for submission of information (including information relating to NGI's pricing policies and/or cost) from either a prime contractor or the Government relating to a NGI proposal and/or NGI's contract performance. Any request for submission of NGI information received from the Government, a prime contractor, or the Chief Financial Officer and General Manager and/or his/her designee should review higher-tier subcontractor. No submission of NGI information relating to a Federal procurement or representations and/or certifications (oral or written) as to the information to be submitted may be made without prior approval. The Chief Financial Officer or his/her designee is the only person at NGI authorized to execute certifications on behalf of NGI or approve the submission of pricing information in connection with a Federal prime contract or subcontract customer.

Finally, any NGI confidential or proprietary information to be included as part of an information submission must be appropriately marked as being provided by NGI Inc. and with restrictive legends to prevent unauthorized use and/or disclosure. Consult the NGI's Core Values & Ethics Manager to confirm the appropriate restrictive markings.

**D. Contract Claims**

When disagreements arise under contracts involving NGI and the Government, there are detailed procedures NGI must follow in order to resolve any disputes. NGI's contracts with the United States Government require that NGI submit written "requests for equitable adjustments" or "claims" when NGI seeks additional payment from the Government under its contract. Many times, circumstances will require that NGI "certify" its claim to the Government along with its submission of a claim. This submission—like others to the United States Government—is subject to false statements and false claims provisions. Under any circumstances, you must take great care in preparing claims and ensuring that statements, representations, and monetary amounts in



the claim are complete and accurate. The Company President or his/her designees prior to submission to the Government must approve requests for equitable adjustments and claims.

### **XIII. COMPLIANCE & ENFORCEMENT**

#### **A. Responsibility, Enforcement**

The NGI Core Values & Ethics Manager has been given responsibility for the implementation, monitoring and enforcement of this Code, including the initial assessment of reports of wrongdoing and implementation of any “corrective action.” If any Employee has any questions concerning this policy, please contact the Core Values & Ethics Manager at: 225-906-9074.

#### **B. Obligation to Report**

NGI has an affirmative obligation under the law to report certain violations to the Government where NGI has credible evidence that a violation has occurred. *You are also expected to immediately report any suspected violations of the law, the Code, or other irregularities by any NGI principal, General Manager, employee, agent, or subcontractor under a government contract.* Reports may be made to your General Manager, the NGI Core Values & Ethics Manager, or NGI management. You should not personally investigate the activity or confront the suspected individual(s). Reports of improper conduct will be treated confidentially to the extent permitted by law, and investigated (by NGI or an outside party retained by NGI) and reported as appropriate to government authorities if NGI determines that there is credible evidence of prohibited conduct.

If an employee is uncomfortable reporting a potential violation to his or her General Manager or if they believe appropriate action has not been taken following such a report, the employee may report the matter through the NGI Help Line at 225-906-9074. If the report involves the conduct of the Core Values & Ethics Manager, reports may also be made to the NGI President or the CFO.

#### **C. Non-Retaliation and Whistleblower Protections**

Consistent with the “whistleblower” protections contained in Federal statutes and regulations (including FAR Subpart 3.9), NGI and its employees are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing information to a member of Congress, or an authorized official of a Federal agency or the Department of Justice, relating to a substantial violation of law in connection with a Federal contract. *No adverse action or retribution of any kind will be taken against an employee because he or she reports a suspected violation of this Code or any other irregularity.* It is NGI’s policy to take reasonable and necessary steps to prevent such retaliation.

#### D. Employee Discipline

*Failure to comply with the Code of Business Ethics and Conduct will result in disciplinary action that may include sanctions ranging from simple warning to termination, referral for criminal prosecution, and reimbursement to NGI for any losses or damages resulting from violation.* For matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of the Code will be afforded an opportunity to explain his or her actions before disciplinary action is taken.

Employees subject to disciplinary action include:

- Employees who authorize or participate directly in actions that constitute a violation of the Code;
- Employees who have deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of the Code;
- Any violator's managerial superiors, to the extent that the circumstances of the violation reflect inadequate supervision or a lack of diligence;
- Any General Manager who retaliates, directly or indirectly, or encourages others to do so, against an employee who reports a violation of the Code.

**RECEIPT AND ACKNOWLEDGMENT**

I acknowledge that I have received my personal copy of the Code of Business Ethics and Conduct. I understand that each NGI officer, employee, agent, consultant, and contract worker is responsible for knowing and adhering to the principles and standards of the Code. I hereby certify that I have read and will comply with the Code.

(Signature)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Date)