

Procedure Responsibility:
General ManagerEditor:
Human ResourcesDepartment:
Administration

DCN History: 12506

Title: **ETHICAL BUSINESS PRACTICES POLICY****1.0 PURPOSE**

The purpose of this policy is to reaffirm the strong Company commitment to the highest standards of legal and ethical conduct in its business practices. It has been the long-standing policy of the Company to maintain the highest ethical standards in the conduct of Company affairs and in its relationship with customers, suppliers, employees, advisors and the communities in which the Company operates.

2.0 RESPONSIBILITY

2.2 Direct Responsibility: The General Manager has been assigned the overall Company responsibility for this policy.

2.3 Indirect Responsibility: Every employee is responsible to ensure conformance with this policy.

3.0 GENERAL INFORMATION

3.1 The Company values its reputation for integrity and adherence to the highest ethical standards. The Company believes it is appropriate and desirable to make the following statement of the principles which guide its business conduct in order to reaffirm its commitment to those principles, to emphasize to its employees the standards of conduct required of them and to ensure that such standards are observed.

3.2 The business operations and activities of the Company shall be conducted with integrity and responsibility. Applicable domestic and foreign laws and governmental regulations shall be adhered to and the Company shall endeavor to fulfill its responsibilities to its customers, employees, suppliers, and the communities in which it resides and conducts business.

4.0 ACTION STEPS**4.1 Receipt of Benefits**

4.1.1 No employee shall directly or indirectly accept any personal benefit, including, but not limited to any bribe, commission, kickback, payment, loan, gratuity (including travel and entertainment), gift, sample, service or promise of employment (hereinafter collectively referred to as 'benefits') from any vendor, supplier, subcontractor or competitor or their agents or representatives.

- Gifts of nominal value which meet all of the following criteria may be accepted:

- 1) They are consistent with accepted good business practice.
- 2) They are of a nature which cannot be construed as a business inducement.
- 3) Public disclosure of the gift would not embarrass the Company.

4.1.2 Meals associated with a business purpose are acceptable if reasonable in cost, appropriate as to time and place and occasional in nature.

4.2 Offering Benefits: No benefit shall be paid or given, directly or indirectly, to any vendor, supplier, subcontractor, competitor or their agents or representatives, or to a government official. Commissions, consultant fees, retainers and similar payments may be made in the

ordinary course of business, provided the sums paid are understood by both parties to be related to, and are commensurate with, the services performed and the size or value of the contract or transaction.

- 4.3 Accounting Practices:** Strict compliance with prescribed accounting procedures and controls shall be practiced at all times. All assets, liabilities, income and expenses shall be correctly identified and recorded in the appropriate corporate books of account. No employee shall make any false or misleading statement to internal or independent auditors or conceal or omit information necessary to make statements to such auditors meaningful. No employee shall withhold any books or records relevant to any subject under review from internal or independent auditors.
- 4.4 Competitive and Commercial Practices:** The Company shall compete fairly in the marketplace, abstaining from unfair or restrictive practices and collusive agreements. Employees shall deal fairly with customers, vendors, subcontractors and competitors.
- 4.5 Employee Conflicts of Interest:** Employees have a responsibility to act in accordance with the best interests of the Company and to avoid conflicts of interest. An outside interest or relationship which would or could have an adverse effect on the Company (or on the employee's business judgment) constitutes an unacceptable conflict of interest, as does any dealing for personal profit or gain on the basis of inside knowledge or confidential information obtained in the course of employment.

These Guidelines are issued to assist Company employees in avoiding such conflicts. Activities or interests which would constitute a conflict if done or authorized by an employee include:

- 4.5.1** Employment by or affiliation in any capacity with a vendor or competitor of the Company, including any firm which the employee has reason to believe may be a prospective vendor or competitor.
- 4.5.2** Investment or interest by employee in any vendor, competitor or customer of the Company, including any firm which the individual has reason to believe may be a prospective supplier, competitor or customer. Such investments violate the policy because they create a threat that the individual's business judgment will be influenced by the investments rather than the interests of the Company. There may be instances where investments in publicly traded companies that are suppliers may be permissible if the employee has no influence in the Company's dealing with the supplier, the employee's investment is made without the benefit of inside or confidential information, and the investments are not significant. Any such instances should be reviewed with the employee's supervisor and senior management.
- 4.5.3** Acceptance of any commission or other form of compensation from any person or firm with whom the Company is doing business or with whom the employee has reason to believe the Company may do business.
- 4.5.4** Personal exploitation of a corporate opportunity, such as the purchase of property or investment in an enterprise in which the Company has an existing interest or in which the employee has reason to believe the Company will have an interest, such as acquisitions, financial projects, new products, or any other developments.
- 4.5.5** Any other dealing for personal profit or gain based upon inside knowledge or confidential information obtained in the course of employment concerning important

business of the Company, such as acquisitions, financial projects, new products, or any other developments.

- 4.5.6** Accepting a retainer or consulting fee, entering into a fee agreement, operating as an independent practitioner, or actively engaging in another business or enterprise where such arrangement or work is in any way inconsistent with an employee's obligations to the Company, or in any way interferes with the performance of an employee's duties.
- 4.5.7** Doing business on behalf of the Company with a former employee of the Company without full disclosure and written approval from the General Manager of the Company.
- 4.5.8** If any employee believes that he or she may be involved in a situation which conflicts or has the appearance of conflicting with the interests of the Company, the employee should submit a written report to his or her immediate supervisor providing details and information about the potential conflict of interest. Violation of the Company's conflict of interest policy, including failure to report a potential conflict of interest, may result in discipline, up to and including termination of employment.
- 4.5.9** *If any employee observes or has evidence of any behavior by any person in the Company in violation of this policy, they are to report such behavior to Human Resources.*

4.6 Exhibit Personal Integrity: Employees are expected to accept certain responsibilities, adhere to acceptable business principles in matters of personal conduct and exhibit a high degree of personal integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that in both business and personal life, employees refrain from any behavior that might be harmful to them, their coworkers, or the Company, or that might be viewed unfavorably by current or potential customers, or by the public at large.

5.0 DISCIPLINARY ACTION

All employees must conform to the ethical and legal standards, to abide by the law and to preserve the Company's integrity and reputation. Failure to adhere to this policy will result in disciplinary action, up to and including termination of employment.

5.0 REFERENCE DOCUMENTS

6.0 ATTACHMENTS

Conflict of Interest Policy and Acknowledgement