



Concurrent  
Technologies  
Corporation



# Code of Ethics and Business Conduct

CTC Ethics Helpline:  
1-800-410-2092

## Table of Contents

Foreword .....	2
Message from CTC’s Board of Directors and Senior Executive Leadership Team (SELT)....	3
CTC Ethics Policy Statement .....	5
Business Conduct.....	7
Bribes and Kickbacks .....	7
Conflicts of Interest.....	7
Employing and Recruiting Current or Former U.S. Government Personnel .....	8
Protection of Proprietary Information and Intellectual Property .....	8
Scientific Integrity .....	9
Authorship.....	9
Use of Company Resources.....	9
Complete and Accurate Books, Records and Communications .....	10
Bidding and Negotiating Contracts .....	10
Charges to the Government .....	11
Company Business Opportunities.....	11
Workplace Conduct .....	11
Environmental Compliance .....	12
Community Relationships.....	12
Lobbying and Political Contributions.....	12
Quality of Services and Products.....	13
Procurement Integrity.....	13
Organizational Conflict of Interest (OCI) .....	13
Giving and Accepting Business Courtesies - Gifts and Gratuities .....	14
Compliance Requirements .....	16
CTC Chief Ethics and Compliance Officer.....	17
CTC Ethics Helpline .....	17
CTC Ethics Certification .....	17

## Foreword

This ***Code of Ethics and Business Conduct*** begins with a message from CTC's Board of Directors and the [Senior Executive Leadership Team](#) (SELT) that describes our overall Company philosophy. The specific Business Conduct principles that then follow support our Company philosophy and Values and provide practical requirements to guide our individual and collective behavior.

This ***Code of Ethics and Business Conduct*** is intended to reaffirm CTC's commitment to accept the responsibility to create a heightened level of ethical conduct at all levels "from the Board Room to the Mail Room," to promote self-governance as a means of confirming management's commitment to abide by ethical standards, of discovering and correcting instances when conduct falls below these standards, and to make public the information which shows our commitment to abide by this ***Code of Ethics and Business Conduct***.

## Message from CTC's Board of Directors and Senior Executive Leadership Team (SELT)

To Our Employees, Clients and Stakeholders,

As we at Concurrent Technologies Corporation (CTC) strive to diversify, and develop our professional and technical capabilities and client base, our [Senior Executive Leadership Team](#) (SELT) is committed to ensuring that the appropriate business climate and ethical behaviors are maintained, demonstrated and reviewed in order to provide the appropriate environment from which to serve our clients, stakeholders, fellow employees, and communities in which we live and work. As a 501(c)(3) exempt organization whose historical focus has been to successfully transition technology solutions to our government clients and the nation's industrial base and for the public good, and as a trusted unbiased partner, our ***Code of Ethics and Business Conduct*** is the cornerstone of our success and must be adhered to, always.

In support of this commitment and by abiding by the terms of this ***Code of Ethics and Business Conduct***, it is our belief that we can ensure the continued delivery of the requisite Quality and Quantity of work in a Timely, Cost Controlled manner, in compliance with applicable standards, including ISO 9001 and 14000 as appropriate, in the performance of current and future client efforts.

In addition, by conducting ourselves in a manner consistent with this ***Code of Ethics and Business Conduct***, it will provide the maximum opportunities for employees throughout the organization to achieve challenging and fulfilling assignments and growth, commensurate with their interests, demonstrated capabilities, and willingness to take on added responsibility.

Further, adherence to this ***Code of Ethics and Business Conduct*** will allow our Company to continue to expand the professional and technical opportunities with current clients as well as clients with whom we are not currently working, to continuously improve our professional and technical capabilities, and to execute our Mission in the public interest.

Imbedded in CTC's ***Code of Ethics and Business Conduct*** is the following set of values, which provide a compass for all of us to follow:

- We bring passion to the work that we do.
- We strive to treat our colleagues and clients like family.
- We are results-motivated, not profit-motivated.
- We are relentless in providing solutions that assist our clients in achieving their missions.
- We are humble and respectful.

Recognizing that our employees are our greatest strength, we have taken a sincere, introspective look at employee needs, resources, access to those resources, and ways to better serve our employees. We are dedicated to reinvesting in the intellectual capital of our Company—our employees—thus, continuously revitalizing CTC. Working with all employees, we will pool resources,

share ideas, communicate well and often, and move forward as a One Company Company as a diverse and cohesive team with a shared vision of the future.

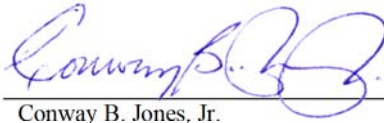
Our values reflect the unique culture and history of CTC, derived from our nonprofit status. CTC's employee commitment extends beyond the workplace into the communities we serve and the nation as a whole. We encourage and applaud the individual spirit of giving and volunteerism that is our trademark and makes our communities better places to live.

Our Company's outstanding reputation is a result of the tradition of good conduct, dedication, nonprofit focus, and unbiased technical excellence of the people who work here and are fundamental to our success. Our ability to successfully compete in our marketplace greatly depends on our employees' understanding and support of this ***Code of Ethics and Business Conduct's*** purpose and spirit.

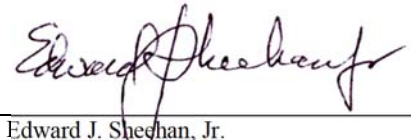
CTC, inclusive of its affiliates, has the following Vision: to be recognized as one of the top developers of comprehensive solutions that make the world safer and more productive. Consistent with our Vision, our Mission is to offer only robust, technical, and innovative solutions that focus on the client's core mission objectives; incorporate transformative full life-cycle solutions that leverage research, development, test and evaluation work that can include production efforts; and exceed client expectations. This ***Code of Ethics and Business Conduct*** guides us in attaining both our Vision and our Mission by ensuring that we always conduct business in a way that meets the highest moral, ethical, and legal standards.



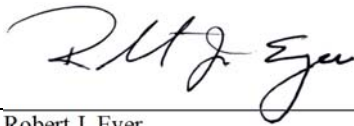
Howard M. Picking, III  
Chairman, Board of Directors



Conway B. Jones, Jr.  
Member, Board of Directors



Edward J. Sheehan, Jr.  
Vice Chairman, Board of Directors  
Member, SELT



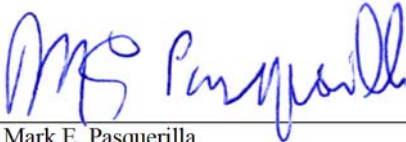
Robert J. Eyer  
Member, Board of Directors



Dale Mosier  
Member, Board of Directors



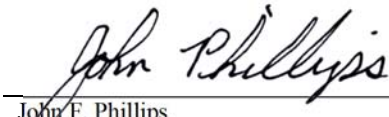
E. Jeanne Gleason  
Member, Board of Directors



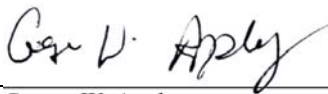
Mark E. Pasquerilla  
Member, Board of Directors



Margaret DiVirgilio  
Member, Board of Directors  
Member, SELT



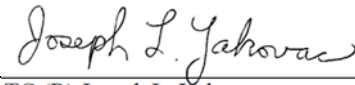
John F. Phillips  
Member, Board of Directors



George W. Appley  
Member, SELT



David A. Schario  
Member, EVC



LTG (R) Joseph L. Yakovac  
Member, Board of Directors



Jeffrey K. Harris  
Member, Board of Directors

## CTC Ethics Policy Statement

At CTC, we are dedicated to high moral and ethical standards of conduct and will conduct our business with honesty, integrity, and a strong commitment to compliance with all applicable laws and regulations.

This ***Code of Ethics and Business Conduct*** requires the highest standards of ethical business conduct in all Company relationships, including those with our clients, suppliers and communities, and among employees. Any conduct or activity that may raise questions as to our reputation or otherwise cause embarrassment is prohibited.

This ***Code of Ethics and Business Conduct*** applies to **all** employees, officers and directors. This code also applies to **all** employees, officers and directors of our Affiliates. Therefore, every employee, officer and director has the responsibility to ask questions, seek guidance, report suspected violations, and express concerns regarding compliance with this ***Code of Ethics and Business Conduct***.

This ***Code of Ethics and Business Conduct*** summarizes the ethical principles that should govern the way we do business. Recognizing that from time to time there will be situations, which are not specifically covered, employees are encouraged to address questions or concerns with Line Management. Employees may also direct questions or concerns to the [CTC Chief Ethics and Compliance Officer](#) or through the CTC Ethics Helpline (described later).

Retaliation against any employee who raises concerns to any Company source will not be tolerated. Retaliation against any employee for proper use of reporting mechanisms is cause for appropriate corrective action, up to and including termination. Violations of this ***Code of Ethics and Business Conduct*** are cause for appropriate corrective action, up to and including termination.

Modifications to CTC's Ethics Program, including the specific requirements of the ***Code of Ethics and Business Conduct***, may be issued from time to time to reflect expansions or changes in applicable laws or regulations, or to provide additional clarity and guidance on existing requirements.

# Business Conduct

## Bribes and Kickbacks

Company policy prohibits offering, soliciting, accepting or attempting to accept a bribe or kickback. Further, the ***Federal Anti-Kickback Act, 41 USC 52***, prohibits a company and its employees from directly or indirectly receiving or soliciting money or anything of value for the purpose of, or as a reward for, granting favorable treatment in connection with a government contract. A kickback is the giving or accepting of money, fees, commissions, credits, gifts, gratuities, or anything of value, which is either directly or indirectly provided in return for favorable treatment. Favorable treatment is illegal when offered in exchange for a gift. This law applies to dealings between any prime contractor, prime contractor employee, subcontractor and subcontractor employee. This ***Act*** also prohibits anyone working or hoping to work under a government contract from giving or accepting kickbacks. Actual or possible violations of the ***Act*** must be reported to the government; therefore, actual or suspected violations shall be reported to the [CTC Chief Ethics and Compliance Officer](#), which will ensure that the reporting requirements of the ***Act*** are accomplished.

Employees are encouraged to report all incidents that they believe to be illegal or fraudulent. Employees shall not be penalized for disclosing activities that they believe to involve wrongdoing. An employee who becomes aware of activities that appear to be inconsistent with accurate Company representation or our information to the public or to our clients, suppliers or employees is expected to report the findings to the [CTC Chief Ethics and Compliance Officer](#).

We will expeditiously resolve incidents of wrongdoing, which impact our relationship with our clients, upon identification. Resolution will include full investigation, equitable restitution, appropriate disciplinary action with regard to individuals involved, and initiation of appropriate action to reduce the potential for a reoccurrence of such incidents in the future. We will report measures that we take to resolve such incidents to the client(s) who are impacted, as appropriate, to ensure full restitution.

## Conflicts of Interest

Company policy prohibits employees from having personal, business, or financial interest, or participating in any activity, including those of the employee's immediate family, which would result in an actual or potential conflict of interest unless formally approved in writing by the CTC Ethics Officer.

A conflict of interest may exist when an employee is involved in an activity or has a personal interest that might interfere with the employee's objectivity in performing Company duties and responsibilities. Activity or personal interest of immediate family may also create a conflict of interest. Such activities include:

- Outside employment in areas similar to those in which we are involved
- Outside work for our clients, suppliers, vendors or competitors



- Holding a financial interest in a business concern of our supplier, client, partner, subcontractor or competitor
- Any activities that have the potential to affect the employee's objectivity
- Any activities that could reflect negatively on our reputation and that of our employees.

An actual conflict of interest need not be present to constitute a violation of this policy. Even those activities that merely create the appearance of a conflict of interest also must be avoided. Employees must be sensitive to such situations that may be, or create the appearance of, conflicts of interest. Employees have a duty to report conflicts of interest or request clarification in determining actual or perceived conflicts of interest to the [CTC Chief Ethics and Compliance Officer](#) as stated in the [Conflict of Interest Policy](#).

### Employing and Recruiting Current or Former U.S. Government Personnel

At CTC, it is our policy to strictly comply with government laws and regulations limiting employment discussions with, and hiring of, current or former government military and civilian personnel. Federal criminal and civil laws and regulations regarding this subject address restrictions on employment discussions with current government personnel and restrictions on tasks and work assignments that former government personnel can perform for private-sector employers. There are permanent prohibitions regarding the type of work that certain former government personnel can perform.

Sanctions available to the government for violations in this area include criminal and civil penalties, exclusion from specific procurement competitions, cancellation of contracts, and suspension or debarment from doing business with the government. Prior to discussion with a current or former government military or civilian personnel regarding potential employment with CTC, CTC employees must consult with the [Senior Director, Human Resources](#), or the Director, Employment and the [CTC Chief Ethics and Compliance Officer](#) as referred in the [Employing and/or Recruiting Current or Former Government Civilian or Military Personnel \(Revolving Door\) \(HR-0038\)](#).

### Protection of Proprietary Information and Intellectual Property

We are committed to protect all proprietary information, regardless of its source. Proprietary information includes all nonpublic information that might be of use to our competitors or harmful to our Company or our clients if disclosed. In addition, proprietary information of another organization, which has been obtained through appropriate means and is covered under a Confidentiality Agreement, may not be disclosed to anyone outside of our Company. Under no circumstance is it appropriate to seek information from any competitor, or from any client, to which our Company is not legitimately entitled. Additional guidance on this subject is provided in the [CTC Intellectual Property Manual](#).

Be advised that the ***Procurement Integrity Act***, (which is more fully described in the [Procurement Integrity section](#) of this ***Code of Ethics and Business Conduct***), prohibits efforts to illegally or improperly obtain the proprietary information of other contractors or the source selection information of the government.

Company and government procedures for handling proprietary or sensitive and classified information must be followed. Employees must avoid seeking access to information for which they do not have clearances or the "right to know." Employees should refer to the [CTC Security Policies Manual](#) for the Protection of Classified Information for additional guidance on this subject.

Safeguarding proprietary information includes protecting CTC's computer systems from unauthorized access by outsiders. For specific guidance on this subject, employees should refer to the [CTC End User Computing Resources Policy](#).

The requirement to protect proprietary information and intellectual property applies during and after the course of employment by our Company. Upon termination of employment, no Company information or property is to be removed without express written authorization by cognizant Line Management.

## Scientific Integrity

At CTC, we believe that we have a responsibility to the public to prevent unethical behavior in our own research and to be alert to, and effectively deal with, instances in which unethical research behavior is suspected. Such behavior includes deliberate falsification of data, outright fabrication of data, purposely omitting possibly conflicting data, plagiarism, misappropriation of the ideas of others, or other practices that seriously deviate from those that are commonly accepted in the scientific community for proposing, conducting or reporting research.

Company policy requires that the conduct of research must seek to provide the "truth" that is as unbiased as possible. Under no circumstances will results be altered to provide conclusions unsupported by the available data, even if such a request is made. Furthermore, credit will be given when due and only when deserved.

## Authorship

Our Company is committed to ensuring that appropriate acknowledgements and credits are given for authorship of published work. Authorship consists of contributions of thought, effort, understanding and responsibility for a published work. Additional guidance on this subject is provided in the CTC [Intellectual Property Manual](#).

## Use of Company Resources

Resources are provided for the conduct of Company business and to contribute to the organization's success. Employees should protect Company assets and ensure their efficient use primarily for legitimate business purposes. The use of Company funds or assets, whether or not for personal gain, for any unlawful or improper purpose is prohibited.

To maintain the protection and proper use of Company assets, each employee should ensure that any personal use of Company resources including telephones, facsimile machines, copiers and other office equipment; e-mail or other electronic access or systems; and cell phones is limited to situations that are deemed necessary and for reasonable duration and frequency and do not consume significant amounts of Company resources. Use can be revoked if determined to be unreasonable by cognizant Line Management.

Company resources are not to be used for personal business or political ventures, to violate any provisions of this ***Code of Ethics and Business Conduct***, or for any purpose that could cause embarrassment to our Company.

Additional guidance related to the use of Company resources is included in the [CTC Property Control Manual](#). For additional guidance specific to computer or other electronic resources, consult the [CTC End User Computing Resources Policy](#).

## Complete and Accurate Books, Records and Communications

Company policy requires complete and accurate books, records and communications. All Company business documents, including internal and external correspondence, memoranda, or communication of any type, must be prepared as completely, honestly and accurately as possible. All disbursements of funds and all receipts must be properly and promptly recorded, and no undisclosed funds may be established for any purpose.

Every employee is responsible for accurately recording time charges. Under no circumstance should an employee, regardless of his or her position in our Company, submit, direct or coerce any employee to submit time charges which do not accurately reflect time worked on a particular cost objective. Additional guidance on appropriate time recording policies and procedures are included in the [CTC Time Reporting Handbook](#).

All purchase orders, receipts, invoices, remittance advices, and other financially related information must be accurately and completely recorded in a timely manner. Employees are prohibited from requesting, making or approving payments without adequate supporting documentation. Employees are also prohibited from requesting, making or approving payments for any purpose other than that which is described in the supporting documentation.

The information included in our Company books and records becomes the basis for requests for payments to our clients, which includes the government. It is Company policy to comply with federal laws that prohibit the submission of false claims and false statements to the government. The laws governing false claims and false statements subject the originator to serious criminal and civil sanctions. Criminal liability is provided for under ***The False Claims Act, 18 USC 287*** and ***The False Statements Statute, 18 USC 1001***, and civil liability is provided for under ***The Civil False Claims Act, 31 USC 3729***. Failure to comply with the requirements of these acts and statute is a violation of Company policy.

## Bidding and Negotiating Contracts

Our Company firmly believes that competition is the mechanism through which organizations are prompted to improve themselves. Progress is the ultimate benefit to all of society, provided that it occurs as a result of legitimate competitive practices. We embrace the competitive spirit and will never strive to circumvent its demands. Therefore, Company policy prohibits making false statements regarding our competition, conspiring to gain our competitors' proprietary information improperly, and agreeing to restrain trade as in price fixing, rigging bids, allocating markets or boycotting services.

When applicable, it is Company policy to comply with the requirements of the ***Truth in Negotiations Act (TINA), 10 USC 2306a, 41 USC 254b***. This law requires government contractors to disclose all current, accurate and complete cost and pricing data that a reasonable buyer and seller would believe might significantly affect the price of a contract or subcontract. It also requires certification that cost and pricing data in the proposals, bids, quotations and other submittals are accurate, complete and current. All employees providing such information to the government must ensure that all statements and data are truthful to the best of their knowledge and beliefs.

## Charges to the Government

It is Company policy to ensure that all costs identified as “unallowable” under government regulations are not charged either directly or indirectly to any government contract or subcontract. In this regard, our Company is required to comply with the **Federal Acquisition Regulations (FAR)** and the **Office of Management and Budget (OMB) Circular A-122**. When in doubt as to whether a cost is allowable, questions should be directed to the CTC Chief Ethics and Compliance Officer.

Our Company will incur certain costs as a general course of business, which are considered unallowable for government contract purposes. These costs will be accounted for in separate accounts, and because they represent a use of Company fees, any such amounts must be approved prior to being incurred, as is specified in the [CTC Signature Authority Chart](#).

## Company Business Opportunities

It is Company policy that any business opportunity that is discovered or presented to any employee, through the use of Company property information, or as a result of an individual’s position with our Company, which is in our Company’s line of business, must first be presented to our Company before pursuing in an individual capacity. No employee may use Company property, information, or his or her position with our Company for personal gain at the expense of our Company. Employees are prohibited from competing with our Company. See also [Conflicts of Interest](#), which are addressed previously in this ***Code of Ethics and Business Conduct***.

## Workplace Conduct

At CTC, we value our diverse employees. Trust, respect and dignity are key to achieving and maintaining sound relationships between our Company and our employees, and among employees. It is our Company’s commitment to ensure that employees come together in the workplace where their successes and welfare are not compromised by the reckless or illegal acts of others.

Company policy requires compliance with all federal, state and local laws and regulations regarding employment-related matters. Failure to comply with federal law can result in criminal penalties and failure to comply with certain state and local laws can result in both civil and criminal sanctions.

Our Company has established specific policies, which include [Anti-Harassment Policy](#), [Drug-Free Workplace Policy](#), [Workplace Violence Prevention Policy](#) and [Equal Employment Opportunity Policy](#). Any questions regarding workplace conduct should be addressed to the [Senior Director, Human Resources](#) or the [CTC Chief Ethics and Compliance Officer](#).

## Environmental Compliance

Our Company is committed to environmental excellence and a healthy and safe working environment. Company policy requires compliance with all federal, state and local environmental and safety regulations, including local recycling laws and waste disposal requirements, which impact all employees on a daily basis. For specific guidance in this area, refer to the [Environment, Health and Safety Policy Statement](#).

## Community Relationships

Our Company is committed to act as a good corporate citizen in all locations where we do business. Our Company also encourages employees to be involved and participate in community organizations and activities where they live and work. As individuals, employees are expected to observe the following ethical guidelines in their daily activities and apply them to ensure that they are good corporate and public citizens.

Company policy requires that all individuals obey all laws and regulations governing personal behavior and activities in the community.

Company time, materials or assets should not be used for community activities, without first obtaining the appropriate approval of a member of our [Senior Executive Leadership Team](#) (SELT).

Participation in community activities that conflict with Company interests or have the appearance of conflict must be avoided.

Individuals are prohibited from using their positions within our Company to unduly influence or force participation and should be alert to conflicts of interest if they hold public offices or serve on commissions or advisory groups.

## Lobbying and Political Contributions

The regulations that apply to nonprofit government contractors generally prohibit lobbying costs from being charged directly or indirectly to the government, with certain exceptions. The applicable regulation that addresses the costs and under what circumstances they are allowable or unallowable is **OMB Circular A-122, Attachment B. Paragraph 25 - Lobbying Costs**.

The Internal Revenue Code prohibits nonprofit organizations from participating in political activities. Failure to comply with this requirement could result in CTC's loss of its nonprofit status. Therefore, no Company funds or other assets are to be contributed or loaned, directly or indirectly, to any political party or to the campaign for or against any candidate for political office. Our Company encourages employees to participate individually in political activities on their own time and with their own resources. However, no direct or indirect pressure in any form may be directed to Company employees to make political contributions or participate in the support of any political party or organization or the political candidacy of any individual.

## Quality of Services and Products

Our Company's commitment to quality is best demonstrated in the ISO 9001 Quality Management System that exists at our Company. Dedication to continuous improvement and technical leadership are the underlying prerequisites of the Quality Management System. Our efforts to achieve continuous improvement and total customer satisfaction must be consistent within the overall ethical tone of our Company. In no instance shall any employee knowingly misrepresent in any way the condition or status of services or products provided or to be provided to our clients. Detailed guidance on our Company's Quality Program is included in the [Quality Manual](#). All employees are expected to comply with the provisions of that manual. Any questions should be addressed to a member of the [Quality Department](#).

## Procurement Integrity

All Company employees are required to follow federal, state and local procurement laws and regulations. Specifically, the **Federal Procurement Integrity Act, 41 USC 423** prohibits competing contractors from: engaging in specific unethical behavior such as offering a gratuity to a government procurement official, soliciting or receiving procurement-sensitive information (proprietary or source selection) from any agency employee, and discussing employment or other business opportunities with a procurement official. These restrictions also bar related conduct by government employees when dealing with contractor personnel.

At CTC, we are committed to following the government's procedures for awarding contracts. It is a violation of Company policy to ask officials to disclose proprietary information of our competitors or to ask for source selection material that the government has developed in order to evaluate competing bids. We will be careful not to share any of our own proprietary information with government officials who are not on the government's list of approved persons. We will not discuss employment or offer anything of value to government employees who participate in the procurement process.

Specific policies and procedures of the Procurement Integrity Act are included in CTC's Policy on the [Act \(CR-0007\)](#).

Company procurement activity personnel are prohibited from soliciting and accepting bids from businesses which are owned, partially owned, and/or controlled by employees and/or employees' spouses and other relatives. Any exceptions will require written approval of the President & Chief Executive Officer.

## Organizational Conflict of Interest (OCI)

Because of the diverse nature of the contracts that CTC performs, from time to time the scope of work under a current or prospective contract may cause a real or perceived Organizational Conflict of Interest (OCI). In addition, when working closely with Government Clients and Prime Contractors, employees may find themselves exposed to Procurement Sensitive Information, such as Statements of Work (SOW), Independent Government Cost Estimates (IGCE), or other Source Selection Materials (see CTC's Policy on the Procurement Integrity Act [\(CR-0007\)](#) for other examples), which again may cause an OCI. Under the Federal Acquisition Regulation (FAR) Subpart 9.5, an OCI exists when, as the result of other work or obligations, (1) an organization's objectivity and independence in providing advice to the government may be compromised, or (2) an organization will gain an unfair

advantage in the competition for a government contract. The following three types of Conflicts of Interest are defined in the FAR.

- Biased Ground Rules OCI – where a contractor prepares and furnishes complete specifications covering non-developmental items, to be used in a competitive acquisition, that contractor will not be allowed to furnish these items, either as a prime contractor or as a subcontractor, for a reasonable period of time including, at least, the duration of the initial production contract. This OCI is implicated when a contractor develops specifications or drafts a statement of work.

Certain exceptions apply to this prohibition including where the contractor is: (1) the sole source of the system or services; (2) it has participated in the development and design work; or (3) more than one contractor was involved in preparing the work statement. These exceptions will be reviewed on a case-by-case basis as described in the procedures below.

- Impaired Objectivity OCI - contracts for the evaluation of offers for products or services will not be awarded to a contractor that will evaluate its own offers for products or services, or those of a competitor, without proper safeguards to ensure objectivity to protect the Government's interests.
- Unequal Access to Information OCI - when a contractor receives nonpublic information that could provide the contractor with a competitive advantage. Such information is more than natural "incumbency advantage" which a contractor gains simply by performing on existing contracts. This access may be mitigated through firewalls or a sharing of information in order to level the playing field amongst offerors, but the Contracting Officer has ultimate discretion to mitigate or to exclude the offeror from the procurement.

CTC has a specific policy to deal with all potential, perceived and actual Organizational Conflicts of Interest. [Policy CR-0006](#) provides definitions, policies and procedures for dealing with the various aspects of the FAR regulations governing OCI. It also includes several real-life examples that will help employees in determining if an OCI may exist. The policy and processes must be followed by all Company employees who are exposed to situations where an OCI may exist (e.g., Business Development, Systems Engineering and Technical Assistance contract performance, etc.).

At CTC, we are committed to ensuring that any OCI's, real or perceived, are investigated, vetted and where appropriate disclosed to the appropriate Government Officials.

### Giving and Accepting Business Courtesies – Gifts and Gratuities

CTC defines the term "gift" or business courtesy broadly to mean "any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value," including "services, training, transportation, lodging and meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred." In no event should CTC's assets be used nor should employees create an improper relationship or the appearance of an improper relationship with any clients or suppliers through the offering or receiving of gifts.

## **Providing Gifts or Gratuities to Federal Government Personnel**

It is Company policy to comply with all laws and regulations pertaining to offering gifts to U.S. Government Executive Branch personnel (including political appointees, civilian employees, and military personnel). The federal government rules pertaining to gifts and gratuities are complex, and specific to prohibited sources. A contractor conducting business with the government is considered a prohibited source. Employees may not offer or give anything of value to federal Executive Branch employees, except as follows:

- Where the value is \$20.00 or less;
- The item is a discount, award, or honorary degree; or meals, refreshments, and entertainment in foreign countries.
- CTC advertising or promotional items of little intrinsic value (generally \$20.00 or less) such as a coffee mug, calendar, or similar item displaying the company logo;
- Modest refreshments such as soft drinks, coffee, and donuts on an occasional basis in connection with business activities; or
- Business courtesies, other than transportation, having an aggregate value of \$20.00 or less per occasion.

Although these items are considered to be exceptions to the ban on gifts that government personnel may accept, when combined, the value of the business courtesies may not exceed \$50.00 in a calendar year. Although it is the responsibility of the government employee to track and monitor these thresholds, employees must not knowingly provide business courtesies exceeding the \$20.00 individual or \$50.00 aggregate annual limit. Given the difficulty in monitoring these transactions, employees are generally discouraged from providing meals or entertainment in order to avoid the appearance of an improper relationship.

## **Acceptance of Business Courtesies by Employees in Non-Procurement Functions**

No CTC employee should use their position to obtain business courtesies. It is permissible however, to accept unsolicited business courtesies, provided:

- The acceptance will promote goodwill and successful business relations;
- The courtesies are not lavish or extravagant under the circumstances;
- 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;
- The employee would feel comfortable discussing the courtesies with their manager or a coworker, and having the courtesies known by the public;
- The courtesies have a market value of \$100.00 or less; and
- The courtesy is approved by the cognizant Senior Executive Leadership Team (SELT) member.

Solicitation of business courtesies is always prohibited. Employees should address any questions about the propriety of accepting a business courtesy to their supervisor or manager or the CTC Chief Ethics and Compliance Officer. It is the employee's responsibility to ensure that acceptance of a business courtesy does not create the perception that favors were granted to secure favorable treatment.



## Giving Business Courtesies to Non-government Entities/Personnel

Employees may provide business courtesies of reasonable value to non-government persons in support of business activities, provided:

- The practice is not for any improper purpose and does not violate any law or regulation or the standards of conduct of the recipient's organization; and
- The business courtesy is consistent with marketplace practices, infrequent in nature, and not lavish or extravagant.

While it is difficult to define "lavish or extravagant" by means of a specific dollar amount, employees should make a common sense determination consistent with reasonable marketplace practices. CTC employees are prohibited from offering or giving tangible gifts (including tickets to sporting, recreational, or other events) having a market value of \$100.00 or more to a person or entity with which CTC does or seeks to do business, unless specifically approved by their cognizant SELT member and/or the CTC Chief Ethics and Compliance Officer in advance.

## Compliance Requirements

At CTC, we are committed to conducting business in accordance with all applicable laws and regulations and to adhere to the highest level of integrity and ethical standards. This ***Code of Ethics and Business Conduct*** provides direction to all CTC employees, officers and directors, regardless of position or duty in our Company. Every employee, therefore, has the duty to uphold this ***Code of Ethics and Business Conduct*** and to seek assistance when the proper course of action is unclear. Any employee who does not adhere to the standards and restrictions imposed by law and this ***Code of Ethics and Business Conduct*** is acting outside the scope of his or her employment.

All employees of CTC must read and fully understand the requirements of this ***Code of Ethics and Business Conduct***. All employees of CTC have the responsibility to conduct themselves in accordance with the standards and restrictions set forth in this ***Code of Ethics and Business Conduct***, and to recognize, avoid or prevent situations that may cause violations.

All employees have a duty to report what they believe in good faith to be a violation of law or of this ***Code of Ethics and Business Conduct***. Failure to report is a violation in and of itself and also a violation in accordance with the [Mandatory Disclosure Policy](#) and can result in civil or criminal penalties. Employees should report violations to their Line Management, a member of CTC's [Executive Leadership](#) or [Senior Executive Leadership Team](#), or the [CTC Chief Ethics and Compliance Officer](#). Members of CTC's Leadership or Executive Leadership Team, who have been made aware of a credible suspected violation of law or provision of this ***Code of Ethics and Business Conduct***, must communicate the information to the [CTC Chief Ethics and Compliance Officer](#) so that the situation may be investigated. Except as may otherwise be required by applicable law or where such information is relevant to a legal proceeding involving our Company, communication with the CTC Ethics Officer will be kept in confidence if an employee so wishes. Confidential reports may also be made using the [CTC Ethics Helpline](#).

This ***Code of Ethics and Business Conduct*** will be strictly and consistently enforced. Proven violations will result in disciplinary action, up to and including termination. Grounds for disciplinary action include:

- Violation of federal, state, local or applicable foreign law
- Violation of any aspect of the ***Code of Ethics and Business Conduct***
- Direct or indirect retaliation against an employee for reporting a suspected violation of law or CTC policies
- Line Management's negligence in failing to assure that subordinates obey the law and CTC policy or Line Management's condoning a violation of law or CTC policies.

## **CTC Chief Ethics and Compliance Officer**

The CTC **Ethics Program**, which includes the ***Code of Ethics and Business Conduct*** and the creation of a position of [CTC Chief Ethics and Compliance Officer](#), has been approved for implementation by the CTC Board of Directors. Mr. John Bartholomew has been assigned as the [CTC Chief Ethics and Compliance Officer](#). The [CTC Chief Ethics and Compliance Officer](#) will report directly to the President & Chief Executive Officer regarding matters of the CTC **Ethics Program**. The [CTC Chief Ethics and Compliance Officer](#) shall have the following responsibilities:

- Day-to-day management of the CTC Ethics Program including compliance
- Oversight of the implementation of the ***Code of Ethics and Business Conduct***
- Responsibility for the ***Code of Ethics and Business Conduct*** employee training program
- Periodic review of Company business practices, policies, procedures and internal controls for ethics and compliance.

## **CTC Ethics Helpline**

The [CTC Ethics Helpline](#) offers CTC employees an alternative way to communicate with the [CTC Chief Ethics and Compliance Officer](#) about ethical issues. Employees are encouraged to communicate their concerns, ask questions, or report potential ethics violations and may do so by either using the CTC Ethics Helpline or contacting the [CTC Chief Ethics and Compliance Officer](#) directly. Concerns or reports of potential ethics violations may be communicated confidentially or anonymously. [CTC Ethics Helpline: 1-800-410-2092.](#)

## **CTC Ethics Certification**

All CTC employees are required to become certified by having fully read the ***Code of Ethics and Business Conduct*** and electronically signing an Acknowledgement Form on which each employee will indicate that he or she fully agrees to comply with all requirements and standards set forth in the ***Code of Ethics and Business Conduct*** and understands that violations to the ***Code of Ethics and Business Conduct*** are cause for appropriate corrective action, up to and including termination.