

# REKOR SYSTEMS, INC.

## Code of Conduct

### START WITH TRUST

Our business depends on trust —not just in our skill and hard work, but in our personal integrity and the integrity of our entire company. Our clients expect us to deliver services to them honestly and with their best interests in mind. In order to meet and exceed their expectations, we must maintain high standards within our leadership and workforce and among those we associate with.

We are committed to the highest standards of ethical business conduct and have adopted this Code of Conduct as a set of guidelines for our entire company, including our subsidiaries and affiliates. It describes our fundamental principles, sets standards of conduct and is meant to inform our relationships with each other and with our clients, independent contractors, associates, suppliers and partners. All that we do is, and should be, measured against the highest possible standards of ethical business conduct.

This Code of Conduct describes our fundamental principles and our Standards of Conduct. The Section on fundamental principles describes the principles we expect to guide our behavior and encourage those we associate with to follow. The Standards of Conduct are basic requirements, which if violated, may result in disciplinary action, including termination.

We expect our managers and employees to behave in a manner that reflects our fundamental principles and to take every reasonable step to make sure that our independent contractors, associates, suppliers and partners behave in a manner that's consistent with them when they are working in association with us. This includes ensuring that they abide by the same Standards of Conduct that we hold ourselves to. Appropriate steps should be taken to terminate our relationship with any independent contractor, associate, supplier or partner who does not adhere to our Standards of Conduct.

### OUR RESPONSIBILITIES

Achieving a high standard of conduct is the primary responsibility of our managers: the directors, officers and other supervisory personnel throughout the company. They set the tone at the top and are responsible to lead by example. They are also responsible for providing the guidance and training needed to ensure that others understand our fundamental principles and have the ability and skills necessary to meet the specific standards of conduct required by this Code.

Implementing these principles and adhering to these standards is the responsibility of everyone in the company. We expect everyone to know and follow this Code, whether they are with us permanently or just on a temporary basis. We also expect our contractors, consultants, service providers and agents to follow this Code when they work for us. If they don't, we may terminate their relationship with the Company.

We expect our managers and employees to read this Code, follow its spirit and letter, and encourage others to follow them. All managers and employees are required to sign an acknowledgement that they have read and understood this Code and will adhere to the specific requirements applicable to them. Deliberate or negligent failure on the part of a manager to uphold the fundamental principles of this Code, or by any personnel within the Company to adhere to its specific standards, can result in disciplinary action, including termination of employment. Developing and adhering to high standards for ethical conduct helps make us proud of what we accomplish, but it also has more tangible benefits. Our shared commitment to high standards helps us attract great people, deliver superior services and maintain a loyal base of clients among the world's leading companies. We rely on developing deep bonds of trust and mutual respect with our clients. Keeping that trust and respect is a daily responsibility.

## **FUNDAMENTAL PRINCIPLES**

**It is the policy of the Company to observe the following principles of professional and ethical conduct:**

- Everyone should act with honesty and integrity in fulfilling their duties and responsibilities. A core ethical value is to spend both our own and our client's money wisely. Financial integrity and fiscal responsibility are fundamental aspects of corporate professionalism.
- No one should accept or solicit any personal gift or favor of significant value in connection with the performance of their duties or use Company or client resources or opportunities for purely personal benefit.
- Everyone should be extremely careful about any personal activity, investment or association that could appear to interfere with good judgment concerning the Company's best interests and should not exploit their position or relationship with the Company for personal gain. They should avoid even the appearance of such exploitation and take steps to make it clear that anything they might have a personal interest in is being handled in an ethical manner.
- Everyone is expected to do his or her utmost to create a workplace culture that is free of harassment, intimidation, bullying, hostility, bias, and unlawful discrimination. We are committed to a supportive work environment, where everyone has the opportunity to reach their fullest potential. This applies to our own workplaces as well as the workplaces used when we share space with others as clients, visitors or tenants.
- All personal or proprietary information that we have or receive should be safeguarded and used only for its intended purpose. We are committed to protecting our privacy and the security of our information. We are equally committed to protecting the security of their sensitive information.
- Our leaders at every level of the Company, from the Board of Directors and senior officers to administrators and
- supervisors, are responsible to adhere to and espouse, and to hold others accountable for behavior consistent with these fundamental principles.

## **Challenges to Achieving our Objectives**

These principles may sound obvious, but they aren't always so easy to achieve. Circumstances often occur

where the degree of integrity associated with a particular course of behavior shifts depending on the perspective it's viewed from. Sometimes, complete honesty can be taken to a point where it's needlessly cruel to others or rejecting a small courtesy can just be rude. And at times it's easy to become so enmeshed in our daily routines that we don't appreciate when circumstances have occurred that could compromise our judgement or our reputation. That's why it's important to involve others in our effort to maintain high standards so that we have the benefit of their perspectives and experience and be able to support each other. Often just being open about the fact that a compromising situation has occurred is all that is necessary to reassure everyone that no personal gain is or was intended. Developing and adhering to high standards for ethical conduct helps make us proud of what we accomplish, but it also has more tangible benefits. Our shared commitment to high standards helps us attract great people, deliver superior services and maintain a loyal base of clients among the world's leading companies. We rely on developing deep bonds of trust and mutual respect with our clients. Keeping that trust and respect is a daily responsibility.

In some situations, competing loyalties or peer pressures can cause individuals to have conflicts of interest and give them reasons to pursue personal benefit, or benefits for friends or family, at the expense of the Company, our clients or our business partners. These situations are not unusual, nor are they necessarily harmful to the Company's interest. But self-interest and outside pressure have the potential to adversely affect a person's judgement and the existence of conflicts of interest can create the appearance that actions are being taken, or decisions being made, in ways that aren't appropriate. In circumstances that reasonably present the appearance of a conflict it's important to act in a manner that demonstrates sensitivity to the conflict and shows that steps are being taken to avoid any harm to the Company as a result.

**Here are several areas where conflicts of interest often arise:**

- Accepting gifts, entertainment and other business courtesies
- Relationships with friends, relatives and co-workers
- Personal investments
- Outside employment or starting your own business
- Advisory roles or board seats with other companies or organizations
- Pursuing business opportunities found through work
- Inventions

**For example, there is a potential for a conflict of interest to have an adverse effect on the Company if someone:**

- Causes the Company to engage in business transactions with relatives or friends;
- Has more than a modest financial interest in the Company's vendors, clients or competitors;
- Receives a loan, or guarantee of obligations, from the Company or a third party as a result of his or her position at the Company;
- Competes, or prepares to compete, with the Company while still employed by the Company; or
- Uses non-public Company, customer, or vendor information for personal gain or for personal gain or for the benefit of relatives or friends (including securities transactions based on such information).

## Putting our Principles into Effect

It's important that any interest, association or investment that interferes, might interfere, or might even appear to interfere, with the exercise of good judgment in the Company's best interests be handled in an open and aboveboard manner. It's also important to be alert to any situation where a failure to be sensitive to our fundamental principles can reflect negatively on the Company. Here are some special considerations to keep in mind in particular circumstances:

**Obeying the Law** - The Company takes its responsibilities to comply with laws and regulations very seriously. While it's impossible for anyone to know all aspects of every applicable law, everyone is expected to learn and understand the major laws and regulations that apply to their work. A few specific types of laws are worth mentioning specifically:

**Insider Trading Laws** - We may need to share information, including non-public information, about the Company's business operations within the Company. Someone may overhear a hallway conversation or come across a memo at a copy machine, either of which might involve confidential information. To use this non-public information to buy or sell stock, or to pass it along to others so that they may do so, could constitute insider trading. Insider trading not only violates this Code, it violates the law. All personnel are responsible to be familiar with and follow the requirements of the Company's Investor Information and Insider Trading Policy. It describes company-wide policies that address the risks of insider trading, such as a prohibition on any Company employee hedging Company stock and periodic blackout windows when no one involved with the Company may trade Company stock.

**Competition Laws** - Many countries have laws designed to promote free and fair competition. Generally speaking, these laws prohibit 1) arrangements with competitors that restrain trade in some way, 2) abuse of intellectual property rights, and 3) use of market power to unfairly disadvantage competitors. Certain conduct is absolutely prohibited under these laws, and could result in your imprisonment, not to mention severe penalties for the Company.

These include:

- agreeing with competitors about prices
- agreeing with competitors to rig bids or to allocate customers or markets
- agreeing with competitors to boycott a supplier or customer

Other activities can also be illegal, unfair, or create the appearance of impropriety. Such activities include:

- sharing competitively sensitive information, such as prices, costs, or market distribution with competitors
- entering into a business arrangement or pursuing a strategy with the sole purpose of harming a competitor
- using the Company's size or strength to gain a competitive advantage in an illegal way.

Although the spirit of these laws is straightforward, their application to particular situations can be quite complex. Since the Company is committed to fair competition all personnel are responsible for learning about and complying with the competition laws that affect their work.

**Anti-bribery Laws** - Like all businesses, the Company is subject to laws that prohibit bribery in virtually every kind of commercial setting. The rule for us is simple – don't bribe anybody, anytime, for any reason.

**Non-government relationships:** Everyone should be careful about giving gifts and paying for meals, entertainment, or other business courtesies on behalf of the Company. We want to avoid the possibility that a gift, entertainment, or other business courtesy could be perceived as a bribe, so it's always best to provide them infrequently and keep their value moderate. Inquiries should be made about the policies that apply to the employees of any private company or to any other individual, before a gift is given to them. Just as we expect others to take this Code seriously, we should respect the ethical guidelines established by other organizations. Avoid putting others in a position where their ability to follow ethical guidelines applicable to them may be compromised.

**Dealing with government officials generally:** Offering gifts, entertainment, or other business courtesies that could be perceived as bribes becomes especially problematic if you're dealing with a government official, who can include candidates for public office and employees of government owned or controlled companies, public international organizations, or political parties. Gifts to public officials, whether a gift is given as a personal or business matter, must never violate bribery or other laws and regulations. Several laws around the world, including the U.S. Foreign Corrupt Practices Act and the UK Bribery Act, specifically prohibit offering or giving anything of value to government officials to influence official action or to secure an improper advantage. This not only includes traditional gifts, but also things like meals, travel, political or charitable contributions, and job offers for government officials' relatives. It is our policy never to give gifts to thank government officials for doing their jobs. By contrast, it can be permissible to make infrequent and moderate expenditures for gifts and business entertainment for government officials that are directly tied to promoting our products or services (e.g., providing a modest meal at a Company sponsored seminar or roundtable discussion). Payment of such expenses can be acceptable (assuming they are permitted under local law and the requirements that apply to such officials) but may require pre-approval from a supervisor or the Governance Committee.

**United States Government Officials:** The United States also has strict rules that severely limit the ability of a company or its employees to give gifts and business courtesies to a U.S. government official and also limit the official's ability to accept such gifts. The Honest Leadership and Open Government Act prohibits giving any gifts, including travel and other courtesies, to Members, Officers, and employees of the U.S. Senate and House of Representatives unless they fit within one of a number of specific exceptions. Gifts to employees of the U.S. executive branch are also regulated and subject to limits. Finally, state and local government officials in the U.S. are also subject to additional legal restrictions.

**Trade Controls** - U.S. and international trade laws control where the Company can send or receive its products and/or services. These laws apply to imports and exports of products and services

between countries, with additional concerns when services are provided to non-citizens or the products contain components, technology or technical data of U.S. origin. What constitutes an “import” or “export” under the law can be broad. For example, transporting tools and equipment, prototypes or samples, or even technical data or software between countries on a smartphone, laptop or a data storage device, can be considered an export or import. Similarly, permitting the download of software from one country into another country or exposing, or allowing access by, non-citizens to technical data can be an “export”, regardless of where the exposure occurs.

**Anti-discrimination** - Unlawful discrimination or harassment on the basis of race, color, religion, veteran status, national origin, ancestry, pregnancy status, sex, gender identity or expression, age, marital status, mental or physical disability, medical condition, sexual orientation, or any other characteristics protected by law is strictly prohibited.

**Gifts, Entertainment and other Business Courtesies** - Accepting gifts, entertainment, and other business courtesies from a competitor or business partner can easily create the appearance of improper influence, especially if the value of the item is significant. Generally, acceptance of inexpensive “token” non-cash gifts is permissible. In addition, infrequent and moderate business meals and entertainment with clients and infrequent invitations to attend local sporting events and celebratory meals with clients can be appropriate aspects of some business relationships, provided that they aren’t excessive and don’t create the appearance of impropriety. Before accepting a gift or courtesy that isn’t expressly permitted by written Company policy, all employees need to obtain approval from an appropriate supervisor. Executive officers and members of the Board of Directors need to obtain approval from the Governance Committee.

**Friends and Relatives** - Just because a relative or close friend works at the Company or becomes a Company business partner or even competitor doesn’t mean there will be improper influence. But it can create a very sensitive situation where motivations are suspect and decisions are questioned. The right thing to do is to disclose the relationship. Even where there are no close ties with relatives or former associates, support obligations, separation agreements, continuing business entanglements and the possibility of receiving an inheritance by operation of law can give rise to conflicts of interest or the appearance of them. It’s best to consider both legal relationships and less formal relationships that involve mutual expectations of support, shared living arrangements or mutual endeavors when thinking of what needs to be disclosed.

**Co-Worker Relationships** - Romantic relationships between co-workers can, depending on the work roles and respective positions of the co-workers involved, create an actual or apparent conflict of interest, particularly when they are kept secret. If a romantic relationship does create an actual or apparent conflict, it may be appropriate to change work arrangements or even terminate the employment of either or both individuals involved. It’s best for everyone to avoid participating in supervising, or being supervised by, relatives or close friends in decision-making regarding potential or existing business relationships that involve them. This includes being the hiring manager for a position for which your relative or close friend is being considered or being a relationship manager for a company associated with a relative or close friend.

**Privacy and Security of Company, Client, Personal and Government Information** - Our clients, co-workers and others trust us with proprietary and personal information. Preserving that trust requires that everyone in our company respect and protect the privacy and security of that information. Our security procedures strictly limit access to and use of personal and proprietary information and require measures to be taken to protect such information from unauthorized access. All directors, officers, employees of the Company are required to know their responsibilities under these procedures, our agreements with our clients and applicable data protection laws, and collect, use, and access personal and proprietary



information accordingly. Information that is or should be classified as sensitive information, such as “Need to Know”, “Business Sensitive”, Company proprietary information, third party proprietary information, export-controlled information, and personal information, and classified information should be handled accordingly. Sensitive information must be handled, stored, and protected in accordance with applicable requirements. At times, a particular project or negotiation may require certain types of sensitive information to be disclosed to an outside party. Disclosure of that information should be on an “only as needed” basis and only under a non-disclosure agreement and pursuant any specific laws, regulations, or other requirements governing disclosure or protection of that information. In addition, the Company may require a prior security assessment of the outside party that is to receive the sensitive information. All personnel are required to conduct appropriate due diligence and have the appropriate agreements in place and obtain proper authorization before such information is disclosed.

Our responsibilities extend beyond not revealing sensitive material – we must also:

- properly secure, label, and (when appropriate) dispose of confidential material;
- safeguard confidential information that we receive from others under non-disclosure agreements;
- take steps to keep our trade secrets and other confidential intellectual property secret; and
- report unauthorized access or disclosure of sensitive information.

Remember that some information that’s intended for public consumption can be confidential at certain times. Sometimes the Company makes an effort to get public attention for certain information. If leaked prematurely into the press or to competitors, that information can hurt our product launches, eliminate our competitive advantage or prove costly in other ways. Our policy is to be extremely careful about disclosing sensitive information about the Company and its clients as well as private personal information about individuals. While we encourage forthright communications with clients, customers, business partners, regulators and the media and seek positive publicity about the Company’s achievements, all officers and employees should take special care to ensure that outside communications (including online and social media posts) do not disclose personal, proprietary or otherwise sensitive information or represent (or otherwise give the impression) that you are speaking on behalf of the Company except in areas where you are a person who has responsibility to do so. Communications with the media can be especially harmful when they are looking for sensational content that may be harmful to the Company. It’s important to check with appropriate supervisory personnel before accepting any public speaking engagement on behalf of the Company and to follow the external communications policies of the company in all external communications or disclosures.

We collect and store personal information about people all around the world. Access and handle this data only for legitimate business purposes, with proper authorization, and in a manner that’s consistent with local law and Company policies. As much as we need to be careful not to disclose sensitive Company information, it’s equally important not to disclose any sensitive information from our partners and customers. Don’t accept sensitive information from other companies without first having all parties sign an appropriate non-disclosure agreement. Even after the agreement is signed, try only to accept as much information as you need to accomplish your business objectives.

We respect our competitors and want to compete with them fairly. But we don’t want their sensitive information. The same goes for sensitive information belonging to former employers. If an opportunity arises to take advantage of a competitor’s or former employer’s sensitive information, don’t do it.

Personnel who accidentally come into possession of a competitor's sensitive information should contact a supervisor or member of the Company's legal staff immediately, so that it can be properly returned. It's also important to make sure that sensitive information isn't disclosed accidentally. For example, pictures taken by Company personnel or guests at events or on Company premises – it is up to everyone to be sure that those pictures don't disclose sensitive information. Finally, it's important to be extra careful with sensitive information around family, friends or other acquaintances, especially those employed by our competitors or business partners. Don't tell them anything sensitive about the Company and don't solicit sensitive information from them.

**Government Facilities Clearances and Classified Information** -In addition to the protection of personal, company and client information discussed above, everyone must recognize that some Company subsidiaries have government facility clearances and on occasion have access to classified government materials. Anyone who holds government security clearances is required by regulation to be trained in the appropriate handling of such material and other important matters by the subsidiary's Facility Security Officer on a regular basis. It is imperative that all such cleared staff follow all security regulations regarding classified materials and the information contained in them. Violations will be dealt with to the full extent of the law.

**Use of Company Products, Services, Equipment and Facilities** -Avoiding potential conflicts of interest also means that you should not use Company products, services, tools or information in a way that improperly benefits you or someone you know or creates the appearance that you have an unfair advantage over users outside of the Company. For example, use of Company accounts, services, or credits for personal matters or for friends or family members should never be approved. Similarly, all directors, officers and employees of the Company are prohibited from using the tools, information, or opportunity that they have access to through their work or their position as a Company representative to participate in or to generate a financial benefit for themselves or others except as permitted by Company policy, unless specifically approved by an appropriate supervisor or the Governance Committee.

Anything you do using the Company's corporate electronic facilities (e.g., our computers, mobile devices, network, etc.) or store on our premises (e.g., letters, memos, and other documents) might be disclosed to people inside and outside the company. For example, the Company may be required by law (e.g., in response to a subpoena or warrant) to monitor, access, and disclose the contents of corporate email, voicemail, computer files, and other materials on our electronic facilities or on our premises. In addition, the Company may monitor, access, and disclose employee, contractor and associate communications and other information on our corporate electronic facilities or on our premises where there is a business need to do so, such as protecting users, maintaining the security of resources and property, or investigating suspected misconduct. The Company's communication facilities (which include both our network and the hardware that uses it, like computers and mobile devices) are a critical aspect of our property, both physical and intellectual. Be sure to follow all security policies. If you have any reason to believe that our network security has been violated – for example, you lose your laptop or smart phone or think that your network password may have been compromised – please promptly report the incident.

**Protecting our Assets and Intellectual Property** - Our ability to be generous with benefits and share information openly within the Company depends on how well we conserve company resources and protect company assets and information. The Company provides employees with the tools and equipment they need to do their jobs effectively, and counts on them to be responsible and not wasteful. It can be appropriate to use facilities or equipment provided by the Company for personal purposes at times, but the justification for this should always be the good of the Company, rather than personal advantage. Company funds, equipment, and other physical assets shouldn't be requisitioned or taken for purely personal use without appropriate approval. The Company's intellectual property rights (our trademarks,



logos, copyrights, trade secrets, “know-how”, and patents) are among our most valuable assets. Unauthorized use can lead to their loss or serious loss of value. Everyone must respect all copyright and other intellectual property laws, including laws governing the fair use of copyrights, trademarks, and brands. The logos, marks, or other protected information or property of the Company’s or any of its affiliated entities should never be used for any business or commercial venture without pre-clearance. Any suspected misuse of trademarks, logos, or other Company intellectual property by others should be reported. Likewise, the intellectual property rights of others should be respected. Inappropriate use of others’ intellectual property may expose the Company and its personnel to criminal and civil fines and penalties. Seek legal advice from before soliciting, accepting, or using proprietary information from individuals outside the Company or letting them use or have access to Company proprietary information.

Business opportunities discovered through your work here belong first to the Company, except as otherwise agreed to by the Company. Creating proprietary or non-proprietary works, such as authoring publications or developing or helping to develop outside inventions that either relate to the Company’s existing or reasonably anticipated products and services or are developed using the Company’s resources, may create conflicts of interest and be subject to the provisions of an individual’s employment agreement or the Company’s Corporate Information and Insider Trading Policy. It is important to consult with the Company’s General Counsel when involved in the creation of proprietary or non-proprietary works that involve the use or potential use of Company information or resources.

**Outside Employment and Activities** - Accepting full or part-time employment, board seats or advisory positions with Company competitors or business partners could, or could appear to, influence judgement in a way that could harm the Company or Company clients. This is obviously the case if the employment or position adversely affects job performance or the ability to fulfill one’s responsibilities to the Company, such as when it is conducted during working hours (or when the Company or a Company client is being billed on an hourly basis). Board seats come with fiduciary obligations that can make them particularly tricky from a conflict of interest perspective. It is important to fully disclose the nature of the organization’s activities and be particularly sensitive to the consequences of undertaking fiduciary responsibilities.

**Employees** - All employees must keep the Company fully advised of the terms, conditions and responsibilities involved with any employment, advisory work or paid or unpaid position with any other business or non-profit entity and should carefully consider the demands that any such outside work or other activity will create before accepting it. In evaluating the harm that outside work or positions may have on the Company or the effect that it may have on an employee’s job performance and other job-related responsibilities, supervisors and the human resource department will consider whether the proposed employment:

- May reduce the employee’s efficiency in working for the Company.
- Involves an organization that does a significant amount of business with the Company, such as major contractors, suppliers and customers. -May adversely affect the company’s image.

Outside work or other activity will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours, etc. Employees may not use company paid sick leave to perform outside work or other activities.

If outside work or other activity causes or contributes to job-related problems, an employee may be asked to discontinue the outside employment and may be subject to disciplinary procedures for any resulting job-related problem even though the work or activity was disclosed to the Company. If an employee is found to have deliberately concealed a violation of this policy or is found to be in violation of this policy and refuses to discontinue outside employment or activities after being requested to do

so by his or her supervisor or the human resource department, the Company may take disciplinary action up to and including termination of employment.

Of course, employees shouldn't start a business or assist anyone else to do so without first informing the Company and obtaining the Company's consent, which will generally be withheld if the business will compete with the Company. The Company will apply this policy consistently and without discrimination to all employees, in compliance with all applicable employment and labor laws and regulations. But it should be anticipated that such consent may not be given and that the Company may terminate the employee and enforce other reasonable protections of its interests.

**Independent Contractors** - We recognize that some of our independent contractors and partners may own, provide services to or be associated with another business that competes with the Company or its clients in a general sense or even specifically with respect to matter in which they are engaged. This is not necessarily harmful to the Company or its clients and may in some cases be beneficial. What is important to consider is:

- When either of these situations exists, it is important that the Company take steps to avoid the harm. These steps should be agreed upon and documented at the outset of the independent contractor's engagement by the Company and should explicitly deal with the possibility that such a situation could arise during the course of, or after, the engagement. Unless appropriate circumstances under which the outside work or other activity can be performed have been agreed to in advance, independent contractors should be required to obtain approval from the Company prior to undertaking any such outside work or other activity. In all cases, independent contractors and partners should be required to comply with the provisions of our Standards of Conduct. Under no circumstances should the Company or its clients be billed multiple times for the same work. Nor should the Company be billed for unique work product already billed or sold to others or others be billed for work done or products produced on an exclusive basis for the Company or its clients. In no case may an independent contractor or partner support another client – either directly or indirectly - on an opportunity that the independent partner or contractor was involved with through the Company without notifying the Company and obtaining the Company's written consent.
- Whether information or resources obtained while working for the Company can be used in the outside work or activity in a way that could be harmful to the Company or the client.

If either of these situations exist, the Company must be advised, and it is important that steps be taken to avoid the harm. These steps should be agreed upon and documented at the outset of the independent contractor's engagement by the Company or, if it arises during the course of the engagement, prior to undertaking the outside work or other activity. In all cases, independent contractors and partners must comply with all privacy and confidentiality provisions of this Code of Conduct. Under no circumstances should the Company or its clients be billed multiple times for the same work. Nor should the Company be billed for unique work product already billed or sold to others or others be billed for work done or products produced on an exclusive basis for the Company or its clients. In no case may an independent contractor or partner support another client – either directly or indirectly - on an opportunity that the independent partner or contractor was involved with through the Company without notifying the Company and obtaining the Company's written consent.

**Financial Integrity and Responsibility** - There is more to financial integrity than accurate reporting of our financials, though that's certainly important. The money we spend on behalf of the Company is not ours; it's the company's and, ultimately, our shareholders'. Each person at the Company – not just those in

financial positions – has a role in making sure that money is appropriately spent, our financial records are complete and accurate and our internal controls honored. This matters every time we hire a new vendor, expense something to the Company, sign a new business contract, or enter into any deals on the Company's behalf.

To make sure that we get this right, the Company maintains a system of internal controls to reinforce our compliance with legal, accounting, tax, and other regulatory requirements in every location in which we operate. All Company personnel are responsible full compliance with our system of internal controls. What follows are some core concepts that lie at the foundation of financial integrity and fiscal responsibility here at the Company:

**Spending Money** - When money is spent on the Company's behalf, the cost should be reasonable, directly related to company business and supported by appropriate documentation. When an expense is submitted for reimbursement, the business purpose for the expense should always be recorded and details provided in accordance with Company submission requirements. Supervisors are responsible for all money spent and expenses incurred by their direct reports, and should carefully review such spending and expenses before approving.

**Documenting Contracts** - Each time a business transaction is entered into on the Company's behalf, there should be documentation recording that agreement. Unless the documentation involves the routine use of standard Company forms, or has been negotiated or approved by Company attorneys, it's important that the documentation be prepared or approved by knowledgeable supervisory personnel. All contracts on behalf of the Company should be in writing and should contain all of the relevant terms to which the parties are agreeing – we don't permit "side agreements," oral or written.

**Signing a Contract** - Signing a contract on behalf of the Company is an important responsibility. No contract should ever be signed on behalf of the Company unless all of the following are met:

- The form of the contract has been approved by lawyers for the Company. A standard Company form doesn't need further legal approval unless significant changes to the form have been made or it's being used for other than its normal purpose.
- The signer has studied the contract, understood its terms and decided that entering into the contract is in the Company's best interest.
- The contract and the signer have been properly authorized.

**Maintenance of Financial Records** -It is the responsibility of the principal Executive Officers and senior Financial Officers of the Company to assure that:

- The Company's accounting records do not contain any false or intentionally misleading entries.
- All records fairly and accurately reflect the transactions or occurrences to which they relate. - All records fairly and accurately reflect, in reasonable detail, the Company's assets, liabilities, revenues and expenses. -No transactions are intentionally misclassified as to accounts, departments or accounting periods.
- All transactions are supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.
- All accounting records, as well as reports produced from those records, are in accordance with the laws of each applicable jurisdiction.
- No information is concealed from the internal auditors or the independent auditors. -There is full compliance with the Company's system of internal accounting controls.

**Recording Transactions** - All employees, whose job involves the financial recording of our transactions, are responsible to make sure that they are fully familiar with all of the Company financial policies

that apply, including revenue recognition and purchasing policies. Immediately report to the Audit Committee any transactions that you think are not being recorded correctly.

**Hiring Suppliers** - As the Company grows, we will enter into more and more deals with suppliers of equipment and services. We should always strive for the best possible deal for the Company. This almost always requires competing bids to be solicited to make sure that the Company is getting the best offer. While price is very important, it isn't the only factor worth considering. Quality, service reliability, and the terms and conditions of the proposed deal may also affect the final decision.

**Retaining Records** - It's important to retain records for an appropriate length of time. The Governance Committee is responsible for establishing minimum record retention periods for certain types of records. But keep in mind that legal requirements, accounting rules, contracts and other external sources sometimes specify longer retention periods for certain types of records, and those control where applicable. In addition, all personnel requested to retain records relevant to a litigation, audit, or investigation, are required to do so until advised that such retention is no longer necessary.

**Equal Opportunity Employment** - Employment by the Company is based solely upon individual merit and qualifications directly related to professional competence. We strictly prohibit unlawful discrimination or harassment on the basis of race, color, religion, veteran status, national origin, ancestry, pregnancy status, sex, gender identity or expression, age, marital status, mental or physical disability, medical condition, sexual orientation, or any other characteristics protected by law. We also make all reasonable accommodations to meet our obligations under laws protecting the rights of the disabled.

**Physical Security, Harassment, Discrimination, and Bullying** - Unfortunately, people steal stuff. It's important to keep laptops and other readily transportable valuables secure, even while on Company's premises. Security and safety devices should not be tampered with. Where badges are issued, they should be worn visibly while on site and care should be taken to observe people who "tailgate" through doors. Promptly report any suspicious activity to appropriate security or supervisory personnel.

The Company prohibits discrimination, harassment and bullying in any form – verbal, physical, or visual. Anyone who believes they've been bullied or harassed by anyone at the Company, or by a Company partner or vendor, are strongly encouraged to immediately report the incident. The Company will promptly and thoroughly investigate any complaints and take appropriate action.

**Respecting the Policies of Others** - While we make an effort to conduct ourselves in a way that everyone should behave, many organizations have special situations that are of particular applicability to their activities. We can't assume that our policies will properly cover all these special situations. The contracts and agreements that the Company has with clients, teammates, and other organizations sometimes refer to and require adherence to the other parties' ethics or code of conduct policies. When we sign such contracts and agreements, we agree to abide by these terms. Each employee and independent contractor involved in these business dealings should be informed that such agreements exist, apprised of their obligations, and are expected to read and abide by them.

## STANDARDS OF CONDUCT

At times, it may not be easy to see the best way to live up to our fundamental principles. But there are many situations where what is required to do the right thing is fairly clear-cut. In these situations, everyone, including our independent contractors, suppliers and partners, is expected to follow the basic

rules. Moreover, it is the responsibility of our managers and employees to share our policies with and ensure that our independent contractors, suppliers and partners are familiar with them and follow the basic rules. Accordingly, the Company has established the following Standards of Conduct, and will enforce them by appropriate sanctions, which may include termination of employment or our business relationship with an independent contractor, supplier or partner.

#### **Compliance with Applicable Laws and Regulations**

Everyone in our company must endeavor to comply with, and to cause the Company to comply with, both the letter and spirit of all laws and governmental rules and regulations that apply to the Company. Any information that an individual may have concerning evidence of a violation of the securities laws or any other applicable laws, rules or regulations by the Company or its agents must be reported promptly.

#### **Receiving or Giving Gifts or Kickbacks**

It is never permissible for company personnel to receive a gift of significant value under circumstances where it might tend to influence the performance or non-performance of their duties for the Company. It is also a violation of Company policy to improperly influence others by giving a gift of significant value (whether paid for by the Company or the individual giving the gift) to a client or customer of the Company or anyone representing or purporting to influence them, to any competitor or to any person in a position to influence legislation or regulations or the enforcement of laws or regulations affecting the Company.

#### **Conflicts of Interest**

Unless approved in writing under the procedures established by the Governance Committee, no director, officer, employee, independent contractor, associate, supplier or partner of the Company is permitted to participate in or otherwise try to influence Company decisions or actions with respect to a matter in which they have a unique material personal financial interest that is not aligned with the Company's shareholders. All such interests are required to be disclosed promptly and regularly in accordance with the procedures established by the Governance Committee.

#### **Financial Reporting**

No financial record or account, including time reports, expense accounts, and any other Company financial records, should ever be falsified in any way. Any circumstances in which such falsification, or, for that matter, any irregularity relating to financial integrity or fiscal responsibility, no matter how small, is observed or suspected, should be immediately reported to the Audit Committee. It is the responsibility of all financial employees of the Company to promptly bring to the attention of the Audit Committee any material misstatement or omission that affects the disclosures made by the Company in its filings with the Securities and Exchange Commission or in any other public communications.

All principal Executive Officers and senior Financial Officers of the Company are responsible for promptly bringing to the attention of the Audit Committee any information that officer may have concerning (i) significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's financial reporting, disclosures or internal controls.

#### **Protection of Information**

Everyone is responsible for maintaining the confidentiality of sensitive information and making sure that important information about the Company that should be made public is made public in an

appropriate way, so that no one gains an unfair advantage by receiving such information in advance of its proper public release. No one should take personal advantage of undisclosed information. Everyone is responsible to be familiar with and comply with federal and state securities, tax and privacy laws regarding the security of corporate, customer and employee information and our agreements with business partners concerning information that may adversely affect them and to follow Company policies and procedures that govern the release, retention and destruction of information about the Company and the activities of employees and affiliates of the Company that may involve the inappropriate use of undisclosed information. In all cases, independent contractors and partners must comply with these privacy and confidentiality provisions.

### **Outside Employment and Other Activities**

No officer or employee of the Company may accept outside employment without approval of their immediate supervisor. Executive Officers are required to obtain the approval of the Governance Committee.

*Independent Contractors* - Our independent contractors and partners may own, provide services to or be associated with another business that competes with the Company or its clients in a general sense or even specifically with respect to matter in which they are engaged. However, independent contractors and partners must advise the Company if they are involved in work or activity that is inconsistent with or could be detrimental to the interests of the Company or the Company client the independent contractor or partner is working with. Information or resources obtained while working for the Company or its clients should not be used in a way that could be harmful to the Company or the client without the Company's consent or prior agreement. Under no circumstances should the Company or its clients be billed multiple times for the same work. Nor should work done or products produced on an exclusive basis for the Company or its clients be sold to others nor should work product contracted for by others on an exclusive basis be sold to the Company. In no case may an independent contractor or partner support another client – either directly or indirectly - on an opportunity that the independent partner or contractor was involved with through the Company without notifying the Company and obtaining the Company's written consent.

### **Drug, Alcohol and Other Substance Abuse**

Substance abuse is incompatible with the health and safety of our people, and we don't permit it. Illegal drugs on our premises or at sponsored events are strictly prohibited. If a manager has reasonable suspicion to believe that an individual's use of drugs and/or alcohol may adversely affect job performance or the safety of others in the workplace, the manager may request alcohol and/or drug screening. A reasonable suspicion may be based on objective symptoms such as the person's appearance, behavior, or speech.

### **Safe Workplace**

We are committed to a violence-free work environment, and we will not tolerate any level of violence or the threat of violence in the workplace. Under no circumstances should anyone bring a weapon to work. Any violation of this policy should be reported immediately. In case of potential violence, contact building security and local police immediately.

## **COMPLIANCE**

All Company personnel are expected to adhere to this Code. Any knowledge of willful or negligent failure



to adhere to the fundamental principles it enumerates and any failure to comply with its Standards of Conduct or other official Company policies should be promptly reported to the appropriate persons. If you are uncertain about who to report to, fear reprisals or feel that previous reports have not been properly followed up on, please see our Whistleblower Policy for information about what to do. The Company will determine appropriate actions to be taken in the event of violations of the Code. Those actions will be designed to deter wrongdoing and to promote accountability for adherence to the Code. The provisions of the Code can be waived only by action of the Board of Directors acting with specific written advice of counsel, which counsel must represent that it has no conflict of interest in the matter, and, where appropriate, with the specific written advice of the Company's outside Auditors, with establishment of an appropriate mechanism for monitoring the particular situation and reporting back to the Board the effects of the waiver and whether expectations concerning the waiver have been properly realized. The Company will promptly and appropriately disclose any waiver of any provision of this Code.

## WHISTLEBLOWER POLICY

If you have a question or concern, or think that an individual, or the Company as a whole, may be falling short of our commitment to this Code, don't just sit there. We want – and need – to hear from you. You can contact your manager or supervisor, or a member of the Governance Committee or Audit Committee. You can also confidentially submit a question or raise a concern of a suspected violation of this Code or any other Company policy through the Company's Hotline. Finally, if you believe a violation of law has occurred, you can always raise that through the Hotline or with the appropriate government agency. The Company prohibits retaliation against anyone who reports or participates in an investigation of a possible violation of this Code, our policies, or the law. If you believe you are being retaliated against, please contact the Governance Committee.

*This Code is a statement of corporate policy. It is not intended to be, and isn't part of, any employment contract. nor does it create rights in any employee, shareholder, or other person or entity. it is intended solely to provide guidance to persons involved with our Company as to the standards that we aspire to uphold.*