***Code of Ethics***

***and Business Conduct***

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The most current version of this document is available on-line on the P E Systems SharePoint portal (https://PESystems.hostpilot.com).

This Code is meant to be read in conjunction with P E Systems company policies. Company policies are subject to change or elimination at the discretion of P E Systems. Any such change or elimination in P E Systems other policies will not change this Code.

***Letter from the President***

Dear Colleague:

It is P E Systems policy to conduct business with the highest degree of integrity and honesty and to fully comply with all applicable laws, rules and regulations. The responsibility to act and make decisions that are ethical, moral, and legal rest with each and every one of us. Our reputation and our continued success as a corporation are dependent upon our commitment to these principles. The P E Systems Code of Ethics and Business Conduct demonstrates our commitment to these principles and provides guidance to ensure that all of our officers, directors, employees, consultants and subcontractors are made aware of and will abide by these standards in all matters involving this company and its business.

We all share responsibility for maintaining our standards of conducting business with the highest degree of integrity and honesty and for upholding the well-established values of P E Systems. When faced with an ethical dilemma, we must each speak up and seek resolution. Everyone should read and refer to this Code for guidance to ensure full compliance. The Code may not have all of the answers to every question that may arise. When the answer to a question is not obvious within the Code, there are additional resources available to provide guidance and help you. If you have a question or observe any sort of misconduct, talk with the Ethics Officer, your manager, or any company Vice President or the President.

Thank you for your cooperation in maintaining our high standards of ethical conduct.

Wesley A. King

President and CEO

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**Code of Ethics and Business Conduct**

# 1. Policy Statement

It is the policy of P E Systems to conduct business with the highest degree of integrity and honesty and to fully comply with all applicable laws, rules and regulations. The following general rules apply to the implementation of this Code:

1. Compliance: All officers, directors, employees, consultants and subcontractors must comply with this code. Anyone who violates this Code will be subject to disciplinary action, up to and including termination of employment.
2. Reporting: All officers, directors, employees, consultants and subcontractors have a duty to immediately report all violations of this Code or other potentially illegal or unethical behavior by anyone. Individuals may report violations of this Code anonymously if they choose. Please see section 25 of this Code for reporting instructions.
3. No Retaliation: P E Systems does not tolerate retaliation against those that report issues in good faith. Any form of retaliation shall be treated as an ethical violation and reported in the same manner.
4. Management Personnel: All management personnel are responsible for their own conduct as well as the conduct of the employees reporting to them. Management personnel are expected to inform all individuals reporting to him or her about this Code and ensure that those individuals comply with the Code. However, the responsibility of management personnel to verify compliance with the Code in no way limits every individual’s duty to strictly adhere to the Code.
5. No Waivers: No employee has the authority to direct, participate in, or approve any violation of this Code.
6. Questions: Anyone who has questions about the application of this Code should consult with their manager, who must contact their Division Vice President, Corporate Vice President, CFO or the President/CEO (as applicable in their chain of communication), who will seek guidance from the Ethics Officer. The Ethics Officer (listed in Sections 24 and 25 of this Code) may be contacted directly by anyone with questions about this Code.

# 2. Accountability for Upholding the Code

Our Code applies to all officers, directors, employees, consultants, subcontractors, or others when they are representing or acting on behalf of P E Systems.

Employees are responsible for adherence to the standards of conduct set forth in this Code and for reporting concerns if they feel that these standards are not being met. Violations of this Code are cause for corrective action, which may result in disciplinary action up to and including discharge.

P E Systems’ leaders must be particularly careful with their words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to perform in a way that is contrary to the ethical standards set forth in this Code and company policies. If someone asks a question or raises a concern about the Code, respond to the best of your ability; however, if you are not sure of the appropriate response or if the concern raised requires that an investigation be conducted to determine compliance with the Code, refer your question or concern to the Ethics Officer, your manager, or any company Vice President or the President.

# 3. Comply With Laws and Regulations

#### You are expected to perform all of your duties in compliance with all laws, regulations and P E Systems, Inc. and Subsidiary company policies. If you have questions about the laws and regulations that apply to your job, contact the Ethics Officer, your manager, or any company Vice President or the President. Additionally, if you perform work internationally you are also subject to the laws and regulations of the countries where you work. There may be a conflict between the laws of the countries where you work and the laws of the U.S. or P E Systems policy. In those situations, you must contact the Ethics Officer, your manager, or any company Vice President or the President.

# 4. No Tolerance for Discrimination and Harassment

#### You are expected to treat all employees, suppliers and customers with dignity and respect. Our goal is to maintain a work environment that is free from threats and acts of violence, bullying, abusive or intimidating conduct or other similar behavior. P E Systems does not tolerate discrimination or harassment of any kind – especially involving race, ethnicity, religion, color, sex, national origin, ancestry, age, U.S. military veteran status, sexual orientation, gender identity, genetic information, marital status, or disability status (including mental or physical disability as well as pregnancy), or any other status protected by Federal, State or local law. This policy applies to any Company office, any off-site location where Company employees work, any Company-sponsored activity, party, program or trip, and applies to all phases of the employment relationship, including but not limited to recruitment, testing, hiring, promotion, demotion, transfer, layoff, recall, termination, salary, benefits, and/or selection for training.

Prohibited harassment includes, but is not limited to, the following examples:

* Verbal conduct, such as threats, epithets, derogatory comments or slurs.
* Visual conduct, such as derogatory posters, photos, cartoons, drawings or gestures.
* Physical conduct such as assault, unwanted touching or blocking normal movement.
* Behavior or conduct of a sexual nature or otherwise intimidating, threatening, bullying, abusive, or violent behavior or conduct, including sexual assault.
* Discrimination and harassment may also include unwanted, unsolicited, or unlawful conduct based on: race, color, national origin, ethnicity, ancestry, age, religion, gender, sexual orientation, gender identity, U.S. military veteran status, genetic information, marital status, disability status (including physical, mental or pregnancy status) or any other status protected by law.

As an international organization, we recognize that the various countries in which we do business may have different legal provisions pertaining to discrimination and harassment in the workplace. Nonetheless, P E Systems has set a standard of zero tolerance for discrimination and harassment that applies to all of its employees, wherever they work.

If you are a P E Systems leader, you have a special responsibility for promoting a positive, diverse and inclusive work environment where everyone may raise issues or concerns without fear of retaliation.

# 5. Maintain a Safe and Healthy Work Environment

You are responsible for complying with environmental, health and safety laws and regulations. Observe all posted warnings and regulations. Report immediately to the appropriate management personnel any accident or injury sustained on the job or any environmental or safety concern you may have.

All should feel safe at work and P E Systems will not tolerate any action or communication that threatens the safety or security of others, causes damage to company or personal property, or creates fear. All must promptly report anything that threatens or harms another person. Threats of any kind are taken very seriously. If you witness or become aware of a violent threat report it to the local Security Officer immediately.

Weapons are strictly prohibited in the workplace unless required in the performance of a contract provided that all required approvals have been received.

You may not be under the influence of alcohol or illegal drugs, or abuse legal drugs, in the workplace at any time.

# 6. False Claims Prohibited

The federal False Claims Act makes it unlawful to present a false or fraudulent bill or claim to the government. Examples of false claims include, but are not limited to: billing time not actually spent working on a project, charging for materials not used in a project, or artificially inflating a claim. If you have any questions or concerns about the propriety or amount of a bill or claim, speak to the Ethics Officer, your manager, or any company Vice President or the President.

If you knowingly cause a false claim to be presented to the government, you may be guilty of a crime and may subject yourself and the company to both civil and criminal liability. Accordingly, any officer, director, or employee found to be inappropriately charging is subject to disciplinary action, up to and including termination of employment. Additionally, if you know, or have reason to believe, that an officer, director, another employee, subcontractor, or consultant has submitted or intends to submit a false claim, you must report it to the Ethics Officer, your manager, or any company Vice President or the President, or anonymously through the ANONYMOUS REPORTING HOTLINE. Failure to make such a report may subject you to disciplinary action, up to and including termination of employment.

6.1 Accurately Charge Labor and Other Costs

You and your manager/supervisor are responsible for understanding and complying with the labor recording policies and procedures. You are also responsible for properly accounting for labor, travel, material and other costs and ensuring that they are accurately recorded and charged to the company’s records. These costs include, but are not limited to, normal contract work, work related to independent research and development and bid and proposal activities.

Knowingly mischarging the time that you work or falsifying your time keeping violates P E Systems policy and the law. No employee shall knowingly charge an incorrect account or cost objective, or knowingly approve such mischarging. Shifting costs to improper accounts is also prohibited.

Transactions between P E Systems and outside individuals or organizations must be promptly and accurately entered in our books in accordance with Generally Accepted Accounting Principles (GAAP) policies and procedures in the United States. Under no circumstances should you misrepresent facts or falsify records.

6.2 Overpayments

If, after a bill, invoice or claim has been paid, you have reason to believe that the customer has overpaid, you must promptly report this to the Ethics Officer, your manager, or any company Vice President or the President. It is P E Systems policy to inform the customer of any overpayment and promptly remit the amount of the overpayment.

# 7. Statements and Certifications

From time to time, you may be required to make certain statements, representations and certifications on behalf of P E Systems. Examples of common certifications include, but are not limited to, certifications pertaining to procurement integrity, compliance with laws and regulations, product quality and quality control and health and safety. All such statements, representations and certifications made on behalf of P E Systems, whether written or verbal, must be accurate and truthful, to the very best of your knowledge. Failure to make an accurate or truthful certification may subject both you and the company to civil and criminal liability.

If you have concerns about any aspect of making statements or certifications, or you learn that others have such concerns, you should talk to the Ethics Officer, your manager, or any company Vice President or the President.

# 8. Maintain Accurate Business Records

You must ensure the accuracy of any business or financial records for which you are responsible. These include not only financial accounts, but other records such as quality reports, time records, expense reports, resumes, etc. to P E Systems, the customer or regulatory authorities.

If you are responsible for the preparation of any business or financial records on behalf of P E Systems, or for making public communications, you must ensure that all information contained in such records or communications is full, fair, timely, accurate and understandable.

You should not include any proprietary or confidential information in any public disclosures without obtaining the proper prior approval. Public disclosures include reports or documents filed with regulatory authorities and other public communications made by P E Systems.

If you have concerns about any aspect of our business or financial records or auditing matters, or you learn that others have such concerns, you should talk to the Ethics Officer, your manager, or any company Vice President or the President.

# 9. Responding to Investigations and Legal Action

You are required to fully cooperate in internal investigations. You must never destroy or alter any documents or electronic records, lie to or mislead an investigator, or obstruct the collection of information relating to an investigation or any legal action brought on behalf of, or against, P E Systems.

To the greatest extent possible, P E Systems shall cooperate with government agencies responsible for investigating suspected violations of law. If requested by P E Systems, you are also required to fully cooperate with investigations conducted by the government. Immediately upon learning that a government agency or any third party is conducting such an investigation or asking for information pertaining to a suspected violation of law, you must notify the Ethics Officer, your manager, or any company Vice President or the President ***before*** such information is released to the investigative organization.

# 10. Strictly Adhere to All Antitrust Laws

If you are involved in any dealings with competitors, you are expected to know antitrust laws may apply to your activities and to consult with the Ethics Officer, your manager, or any company Vice President or the President. In addition, you should be aware that any of the following may violate antitrust laws:

* Price fixing
* Boycotting suppliers or customers
* Pricing intended to run a competitor out of business
* Disparaging, misrepresenting or harassing a competitor
* Bribery, kickbacks, or stealing trade secrets
* Entering into agreements or understandings with competitors to divide the market in which they compete by allocating territories or markets and/or limiting the production or sale of products or product lines
* Conditioning the sale of a product/service on the sale of another unwanted product/service
* Conditioning the sale or purchase of products/services on the requirement that the seller or purchaser not do business with competitors of P E Systems

You must avoid engaging in or discussing any of the above activities with competitors, suppliers, or customers and must report any instances in which such activities are proposed or discussed to the Ethics Officer, your manager, or any company Vice President or the President.

# 11. Do Business Ethically Outside of the United States

Unless prohibited by U.S. law, you are responsible for complying with the national and local laws of the countries in which we operate. In the case of a conflict with U.S. law, contact the Ethics Officer, your manager, or any company Vice President or the President.

In particular, you must pay special attention to the following laws:

11.1 Anti-Corruption

All P E Systems personnel and agents must strictly comply with the anti-corruption laws that govern our operations in the countries in which we do business. Such laws include the U.S. Foreign Corrupt Practices Act (FCPA) and similar laws enacted by other countries, for example, under the Organization of Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Officials and other international, anti-bribery conventions. Generally, these laws prohibit bribery, directly or indirectly, of foreign government officials, political parties or candidates to obtain some improper business advantage. More specifically, they prohibit, directly or indirectly, corruptly giving, offering or promising anything of value to foreign officials or foreign political parties, officials or candidates, for the purpose of influencing them to misuse their official capacity to obtain, keep, or direct business or to gain any improper advantage. In addition, to prevent concealment of bribery, the FCPA imposes certain accounting requirements on companies. Specifically, the FCPA requires that a company maintain books, records and accounts that, in reasonable detail, accurately reflect the transactions and dispositions of that company. The FCPA prohibits knowingly falsifying a company’s books and records or knowingly circumventing or failing to implement adequate internal accounting controls. Failure to comply with the FCPA can result in severe fines and penalties for P E Systems as well as those company personnel and agents involved in the violation, including millions of dollars in fines and even possible imprisonment.

To avoid a potential violation of the FCPA and/or similar anti-corruption laws, all P E Systems personnel, agents and other representatives shall adhere to the following: (i) No payment or gift of any kind whatsoever may be promised, offered or made to any “foreign official” (i.e., a foreign government official, candidate, political party or political party official) without the express approval of the P E Systems Ethics Officer; (ii) Records shall be maintained to accurately reflect any payments made on behalf of P E Systems; (iii) Because the actions of a third party acting as an agent or representative of P E Systems can expose the company to liability under the FCPA, the retention of agents and representatives shall be undertaken with great care and sufficient investigation should be undertaken to ensure that any company representative does not intend to engage in any improper practices. In determining whether to engage a particular representative, factors such as the representative’s reputation and qualifications, the manner and reasonableness of compensation, the relationship (if any) between the representative and a foreign official, the presence or absence of any secret partners, the willingness of the representative to fully disclose its relationship with P E Systems and the legality of the relationship under local law must be considered.

11.2 Export/Import and Other Trade Restrictions

All governments regulate trade through restrictions on permanent and temporary exports (e.g. license requirements) and imports (e.g. payments of duties) of goods, technology and services. The U.S. Government imposes severe restrictions on trade in military and related goods, technology, services and technical data, but there are also restrictions and licensing requirements on the export of certain kinds of “commercial” goods, services and data. The U.S. Government also prohibits transactions with certain individuals, companies and countries that it deems to be particularly notorious, generally on grounds related to sponsorship of terrorism.

You are required to strictly comply with all of these rules and regulations. The rules are complex, but these considerations are of particular importance:

* Sales or transfers of products and services to a location or customer outside the United States require special scrutiny to determine whether there are any applicable export restrictions.
* Export restrictions may be based on the geographical location to which P E Systems products and services will be transferred, or on the identity of the customer (company, country, or person).
* An “export” can occur if you have a conversation with a foreign person and communicate information or technical data that is export-controlled. For example: if a foreign national is visiting P E Systems offices in Virginia and you talk to that person about technical data that is controlled for export, you have exported the data and may have violated U.S. export laws. The data doesn’t have to leave the United States; the mere fact that it was given orally to a foreign person is enough to make it an export.
* Under no circumstances should you consider or agree to a business transaction in or with any country that is the subject of specific U.S. trade sanctions. The list of sanctioned countries can be found online at: http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx.

To ensure compliance with these laws, sanctions and embargoes, you are responsible for consulting first with the company Export Control Officer per QSP 7.13 Export Control Manual ***before*** negotiating any foreign transaction or discussing a possible transaction with a foreign person.

If you have concerns about any aspect concerning our export process, or you learn that others have such concerns, you should talk to the Export Control Officer, Ethics Officer, your manager, or any company Vice President or the President.

11.3 Anti-Boycott

P E Systems complies with all U.S. boycotts. As a U.S. based company, all officers, directors, employees and consultants must comply with U.S. laws pertaining to foreign boycotts.

The anti-boycott laws require that you refuse to participate in any foreign boycott that the United States does not sanction or approve. The Arab League boycott of Israel is the main foreign economic boycott that U.S. companies must be concerned about, but the anti-boycott laws apply to all boycotts by foreign countries that are not sanctioned or approved by the U.S. Government.

As part of the Anti-Boycott Act, you may not:

* Agree to refuse, or actually refuse to do business with or in Israel or with “blacklisted” companies.
* Agree to discriminate, or actually discriminate, against other persons based on race, religion, sex, national origin or nationality.
* Furnish information about P E Systems or any person’s past, present, or prospective relationship with boycotted countries or blacklisted companies.
* Agree to furnish, or actually furnish, information about the race, religion, sex, or national origin of another person.
* Pay, honor or confirm letters of credit containing boycott provisions.

P E Systems are required by the anti-boycott laws to report any requests that you receive to take actions that would comply with or support an improper foreign boycott. All such requests should be immediately directed to the Ethics Officer, your manager, or any company Vice President or the President. Below are some examples of improper boycott requests:

* In a purchase order from Bahrain: “In the case of overseas suppliers, this order is placed subject to the supplier’s being not on the Israel boycott list published by the central Arab League.”
* In a questionnaire attached to an Iraqi purchase order: “Do you have or ever had a branch or main company, factory or assembly plant in Israel or have sold to an Israeli?”
* In a Kuwaiti Letter of Credit: “Importation of goods from Israel is strictly prohibited by Kuwait import regulations; therefore, certificate of origin covering goods originating in Israel is not acceptable.”
* In a Syrian trademark application form: “Do you have or have any of your subsidiaries now or ever had general agencies or offices in Israel for your middle-eastern or international operations?”
* In a Yemeni repair order: “Invoices must be endorsed with a certificate of origin that goods are not of Israeli origin and do not contain any Israeli material and are not shipped from any Israeli port.”

# 12. Political Contributions and Activities, Including Lobbying

Many countries, including the United States, prohibit P E Systems from donating corporate funds, goods, or services, directly or indirectly, to political candidates. This includes employees’ work time. Local and state laws also govern P E Systems political contributions and activities. Because the laws in this area are complex, you must contact the Ethics Officer, your manager, or any company Vice President or the President ***before*** using any P E Systems funds, assets or facilities for the benefit of political parties or candidates anywhere in the world.

You are encouraged to participate personally in civic affairs and the political process and to support the political parties and candidates of your choice. Your involvement and participation in the political process must be on an individual basis, on your own time and at your own expense. You must be aware of and avoid conflicts of interest that can arise if you campaign for or hold public office or serve on commissions or advisory groups. If you plan to seek or accept a public office, you must consult with the Ethics Officer, your manager, or any company Vice President or the President.

You must also be certain to know and follow corporate guidance and consult with the Ethics Officer, your manager, or any company Vice President or the President ***before*** contacting U.S. Congressional and Executive Branch employees and staff. If you engage in such activity, you may be engaged in lobbying. Always ask ***before*** you act to avoid unintentional violations of corporate policy and federal rules concerning gifts and lobbying.

You must also know and follow corporate policies and procedures ***before*** contacting any member or employee of a foreign government or foreign entity.

# 13. Compete Fairly for All Business Opportunities

You are responsible for dealing fairly with P E Systems’ customers, suppliers, competitors and employees. If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that all statements, communications, certifications and representations to prospective customers and suppliers are accurate and truthful. Once awarded, all contracts must be performed in compliance with specifications, requirements and clauses.

You must refuse any offers to provide P E Systems with any unauthorized contractor bid and proposal information or source selection information and immediately report the offer to the Ethics Officer, your manager, or any company Vice President or the President. You may not use, obtain, accept or receive any information to which P E Systems is not clearly and legitimately entitled. If you ever have reason to believe that the release or receipt of any information is unauthorized, or you are uncertain as to P E Systems legal right to use the information, do not copy, distribute or use it until you have obtained guidance from the Ethics Officer, your manager, or any company Vice President or the President.

# 14. Provide and Accept Appropriate Business Courtesies

14.1 Definition of Business Courtesy

##### P E Systems defines the term business courtesy broadly to mean a gift, gratuity, favor, benefit, loan, commission, discount, forbearance, or other intangible or tangible item having monetary value for which fair market value is not paid by the recipient. Such courtesies include, but are not limited to: cash, honoraria, entertainment and recreation (tickets to sporting, recreational or other events, passes, fees, etc.), services, training, transportation, discounts, promotional items, lodging, meals, drinks, door prizes, or use of a donor’s time, material, equipment or facilities. While the following sections of the policy gives guidance regarding business courtesies it is best to adopt a zero tolerance approach by not offering or accepting any type of business courtesy when in doubt.

14.2 Offering or Providing Business Courtesies to Government Officials or Representatives

The rules and regulations that apply to the offering of business courtesies to government employees, officials and representatives of the U.S. and foreign governments are complex. You must comply strictly with these laws and regulations and you must never offer or accept a business courtesy if doing so violates a law or regulation, will cause embarrassment for P E Systems, or will reflect negatively on the company’s reputation.

The following subsections address the offering or providing of business courtesies in certain specific situations:

14.2.1 U.S. Federal, State and Local Governments

Employees of U.S. federal, state and local governments are subject to laws and regulations concerning acceptance of business courtesies from firms and persons with whom the government does business or over whom it has regulatory authority.

14.2.2 Federal Executive Branch Employees

You may not offer or give anything of value to federal Executive Branch employees, except as follows:

* + P E Systems 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.
  + Business courtesies, other than transportation, having an aggregate value of $20.00 or less per occasion.

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, you must not knowingly provide business courtesies exceeding the $20.00 individual or $50.00 annual limit.

14.2.3 Federal Legislative and Judiciary Branches and State and Local Government Employees

Employees of the federal Legislative and Judiciary Branches and employees of state and local government departments or agencies are subject to a wide variety of laws and regulations.

With few exceptions, you may not provide business courtesies to Senate or House of Representatives members, officers or staffs. Generally, you also may not provide business courtesies to members of the Judiciary Branch.

You may provide business courtesies of reasonable market value to employees of state or local government in support of business activities, provided such practice does not violate any law or regulation or the standards of conduct of the recipient’s organization. It is your responsibility to know the prohibitions or limitations of the recipient’s organization ***before*** offering any business courtesy.

14.2.4 Foreign Governments

The U.S. Foreign Corrupt Practices Act (FCPA) and the anti-corruption laws of other countries in which we do business may restrict P E Systems from offering or giving business courtesies to any foreign official, any foreign political party or official of a foreign political party, or any candidate for foreign political office. You must call the Ethics Officer, your manager, or any company Vice President or the President to discuss those business courtesies that are acceptable to offer and give in particular countries in which we do business before offering or giving such courtesies. You should understand that because P E Systems is incorporated in the United States, the FCPA applies to all employees around the world, including employees of wholly owned subsidiaries and affiliates.

14.3 Offering or Providing Business Courtesies to Non-Government Persons

You 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, you should make a common sense determination consistent with reasonable marketplace practices.

You 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 P E Systems, Inc. and   
Subsidiaries does or seeks to do business. ***Before*** offering or giving gifts as noted above, you must first obtain approval by contacting the Ethics Officer, your manager, or any company Vice President or the President.

14.4 Acceptance of Business Courtesies by P E Systems Employees Who Procure Goods or Services

If you buy goods or services for P E Systems or are involved in the procurement process, you must treat all suppliers uniformly and fairly. In deciding among competing suppliers, you must objectively and impartially weigh all facts and avoid even the appearance of favoritism.

For this reason, you and your immediate family members may not accept gifts from suppliers or vendors, except advertising or promotional items of nominal value such as a pen, key chain, water bottle, visor, cup or glass or generally similar items displaying a company’s logo. Established routines and procedures should be followed in the procurement of all goods and services.

14.5 Acceptance of Business Courtesies by P E Systems Employees in Non-Procurement Functions

Although you may not use your position at P E Systems to obtain business courtesies, it is permissible 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;
* You would feel comfortable discussing the courtesies with your manager or a coworker, or having the courtesies known by the public; and
* The courtesies have a market value of $100.00 or less.

Solicitation of business courtesies is always prohibited. If you have any questions about the propriety of accepting a business courtesy, contact the Ethics Officer, your manager, or any company Vice President or the President. It is your personal responsibility to ensure that your acceptance of a business courtesy does not create the perception that favors were granted to secure favorable treatment.

14.6 Questions and Exceptions

If you have any questions about whether an offer or acceptance of a business courtesy is in compliance with the rules, regulations and P E Systems policy, you must obtain guidance in advance from the Ethics Officer, your manager, or any company Vice President or the President.

# 15. Avoid Organizational Conflict of Interest

15.1 Definition of Organizational Conflict of Interest

##### An organizational conflict of interest includes situations where the performing entity is unable to, perceived to be unable to, or potentially unable to render impartial assistance or advice to the Government because of other activities or relationships with other entities, or that objectivity in performing the contract work is, or might be otherwise impaired, or that the performing operation or an affiliate may have unfair competitive advantage.

15.2 Organizational Conflict of Interest Guidelines

Refer to the guidelines for organizational conflicts of interest detailed in *QSP 7.2-1C Organizational Conflicts of Interest* (available on the SharePoint portal at https://P E Systems.hostpilot.com).

# 16. Avoid Personal Conflict of Interest

16.1 Definition of Personal Conflict of Interest

##### A conflict of interest exists when you have divided loyalties – when you have a direct or indirect personal interest in a transaction or matter such that it might reasonably appear to affect the judgment that you exercise on behalf of the company, influence your actions, or lead you to neglect P E Systems business interests.

16.2 Personal Conflict of Interest Guidelines

You are responsible as a P E Systems employee to act in a fair and impartial manner in all business dealings. You are also responsible to place the interests of P E Systems over your own personal interests, the interests of family or friends, or the desire for personal gain in all matters relating to P E Systems business.

You must avoid financial, business, or other transactions or situations in which your personal interests might conflict with, or appear to conflict with, the interests of P E Systems or its customers. Such situations may arise from relationships with customers, competitors and suppliers, present or prospective employees, or from the acquisition or use of P E Systems assets for personal gain. An actual conflict of interest does not need to be present to constitute a violation of this Code; you must also avoid activities that create the appearance of a conflict of interest. If an employee desires to obtain a second job, part-time or full-time, regardless of compensation, or if an employee intends to engage in a business enterprise of their own, the employee must have written authorization from the Company as stated in the employee’s offer letter. This opportunity will be discussed with the employee to ensure that it will not interfere with their job nor pose any conflict of interest.

A conflict of interest may exist when you use your contacts or position at P E Systems to advance interests other than the company’s, such as your own private business or financial affairs, or those of a friend or relative (whether or not at the expense of the company). You should never use company property or information for personal gain, or take for yourself personally any opportunity that is discovered through your position at P E Systems.

16.3 Examples of How a Personal Conflict of Interest Could Occur

* Employment by a competitor or potential competitor, regardless of the nature of the employment, while employed by P E Systems.
* Employment elsewhere (including consulting) in any business or professional enterprise that would interfere with the performance of duties at P E Systems or which involves obligations which may conflict with the interests of the company or its customers.
* Acceptance of gifts, payment, or services from those seeking to do business with P E Systems.
* Placement of business with a firm owned or controlled by a P E Systems employee or their family.
* Ownership of, or substantial interest in, a company that is a customer, competitor or supplier.
* Acting independently as a consultant to a P E Systems customer or supplier, while employed by P E Systems.
* Having a personal interest or potential for gain in any P E Systems transaction.
* Using P E Systems assets, intellectual property, or proprietary information for personal gain.
* Employing or discussing employment with current or former government employees, or using them as consultants or subcontractors in violation of applicable laws or regulation.
* Having a close, personal relationship with a subordinate employee.

16.4 Personal Conflict of Interest Related to Former Employment

You must not take away from your former place of employment books, equipment, electronic media, computer printouts, or notes generated while performing in the course of that employment or any items which may have been purchased by your former employer for the performance of your work. If you believe it is necessary to retain any material accumulated at a former employer, the specific written approval of an appropriate official of the former employer must be obtained ***before*** taking away any such materials upon termination. Prospective employees who are employed at the time they are seeking employment with P E Systems should cooperate fully and perform their work diligently right up until the time they terminate.

You must disclose in writing any situation, transaction, or relationship that might give rise to an actual or potential conflict of interest to the Ethics Officer, your manager, or any company Vice President or the President.

# 17. Avoid Conflicts of Interest When Hiring and Working with Former Government Employees

You are responsible for ensuring that P E Systems avoids conflicts of interest in connection with employing or acquiring the services of current or former government employees.

You must comply fully with all laws and regulations pertaining to employing or acquiring the services of government employees. These rules apply to contact or negotiations with current government employees to discuss their potential employment by P E Systems or their use as consultants or subcontractors. These rules also may restrict the roles and responsibilities that former government employees may perform on our behalf after joining P E Systems. The laws and regulations governing the hiring and employment of former government employees can be difficult to follow; when in doubt, you should seek the advice of the Ethics Officer, your manager, or any company Vice President or the President.

# 18. Properly Engage Consultants, Representatives and Other Third Parties

You must not retain a consultant, representative, or other third party to conduct business in a manner that is contrary to P E Systems policies and procedures or that would circumvent our values and principles. For example, you must not retain consultants, representatives or other third parties for the purpose of paying bribes or kickbacks, engaging in industrial espionage, obtaining the proprietary data of a third party without authority, or improperly gaining inside information or influence.

You are responsible for following the P E Systems “Subcontractor and Consultant Purchasing” procedure (QSP 7.4-2), as well as the “Vendor Purchasing” procedure (QSP 7.4-1) and for seeking advice from the Ethics Officer, your manager, or any company Vice President or the President ***before*** engaging an international or domestic consultant, representative, or third party. Consultants must certify their willingness to comply with this Code, P E Systems policies and procedures and all applicable laws and regulations as stated in consulting agreements.

# 19. Protect Confidential Information

You may not receive, use, publish, disclose, or knowingly permit anyone else to receive, use, publish or disclose, any sensitive, proprietary, or confidential information or trade secrets (collectively, “Confidential Information”), without proper authorization from the Ethics Officer, your manager, or any company Vice President or the President. Such confidential information includes information related to P E Systems, our customers, business partners, subcontractors, competitors, vendors, suppliers and other related government or business entities. You must keep such confidential information protected and secure, even after you are no longer employed by P E Systems.

If you receive confidential information from any source without proper authorization you must immediately bring this to the attention of the Ethics Officer, your manager, or any company Vice President or the President.

Unauthorized use or disclosure of confidential information may result in disciplinary action, up to and including termination of employment.

# 20. Protect Personal Information

You must not access personal information unless you have a “need to know” of such information for legitimate business purposes and have prior authorization.

If you have access to personal information (including personnel or medical records) you may not disclose such information without proper authorization. You must keep personnel information protected and secure in accordance with all P E Systems company policies, laws and applicable third party agreements. You must never use personal information for any purpose for which it was not intended or for personal gain.

If you collect or access personal information on behalf of P E Systems, you are responsible for knowing and complying with all applicable laws and policies that govern such activities.

If you become aware or believe that personal information has been accessed by an unauthorized person, disclosed inappropriately, used for purposes other than P E Systems business, or gathered in violation of company policy or the law, you must immediately bring this to the attention of the Ethics Officer, your manager, or any company Vice President or the President.

# 21. Properly Use P E Systems Company and Customer Assets

You are responsible for the proper use of P E Systems’ company and customer property, manpower, electronic communication systems, information resources, materials, facilities and equipment. You must use and maintain these assets with the utmost care and respect, guarding against waste and abuse, and you must never borrow or remove them from P E Systems company or customer property without management’s permission.

P E Systems assets are intended to be used for the conduct of P E Systems business. You may occasionally use P E Systems assets for personal use if such use is in accordance with company policy and if you obtain permission in advance from the Ethics Officer, your manager, or any company Vice President or the President. You must also seek guidance and permission (as outlined previously in this paragraph) ***before*** using any customer asset for personal use. You may not use P E Systems’ company resources to support a personal business or for an illegal act or a purpose which would cause embarrassment to our company.

Use of a corporate credit card for personal use is strictly prohibited.

# 22. Cybersecurity

The Cybersecurity of P E Systems, our partners, and clients rests with each and every employee. Each of the information systems that we utilize follow stringent safeguard requirements and procedures to protect the information contained on our systems. Each employee is responsible for using all company or customer provided systems in a manner that is consistent with the specified safeguarding requirements and procedures for that system. While our IT system providers and maintainers keep us compliant with the different types of Federal Acquisition Regulations placed upon us with regards to monitoring, controlling, identifying and protecting our systems against cyber threats they still rely on each user to use the systems responsibly and report any instances of an unexpected or peculiar nature. Be sure to maintain control and access to your system at all times. Turn off or password lock your system when stepping away. Do not share passwords or give remote or physical access to your system to other than those authorized. Only open attachments that come from known and trusted sources. You are required to report any breach of system security or instances of a suspected nature to your local IT administrator and the P E Systems FSO.

# 23. Participate in Business Conduct Compliance Training and Ethics Awareness Training

P E Systems expects all officers, directors and employees to participate in awareness training. You are required to complete ethics awareness training and business conduct compliance training as directed. Completion of such training is a condition of your continued employment with P E Systems.

Ethics Awareness training and Business Conduct Compliance training courses can be found on the P E Systems Learning Management System (LMS) or at a third-party vendor site identified by Human Resources or the Ethics Officer.

# 24. About the Ethics (and Business Conduct) Officer

P E Systems has established the position of Ethics Officer to underscore our commitment to ethical conduct throughout our company.

The Ethics Officer, Mr. William D. Cooper, Jr. “Doug”, reports directly to the Chief Executive Officer and the Board of Directors and oversees a company-wide effort to promote a positive, inclusive and ethical work environment for all employees.

If your concern relates to the actions or decisions of the Ethics Officer, please contact your manager, or any company Vice President or the President., who must contact the Division VP, Corp. VP, CFO or the President/CEO (as applicable in your chain of command). You may also contact the VP of Human Resources.

You may contact the Ethics Officer, William D. Cooper, Jr. “Doug”, as follows:

Call: 703/246-9771

Write: P E Systems

Attn: Ethics Officer

10201 Fairfax Blvd., Suite 400

Fairfax, VA 22030

Fax: 703/246-9879

Email: wcooper@pesystems.com

24.1 What Can You Expect When You Contact the Ethics Officer?

* Your concern will be treated seriously and fairly.
* You will be treated with dignity and respect.
* You need not identify yourself.
* Whether you identify yourself or not, your communication will be kept confidential to the greatest extent possible.
* If your concerns are not resolved at the time you call, you will be informed of the outcome. If you have reported anonymously, you can call the Ethics Officer to learn the outcome of the case.
* Due to privacy considerations, you likely will not be informed of the details of any discipline that may result from an investigation into your concerns.
* P E Systems takes its obligations very seriously and will take appropriate action in response to violations of this Code, even if these actions are not always visible to you.

Remember, there is never a penalty for contacting the Ethics Officer in good faith. People in a position of authority cannot stop you; if they try, they are subject to disciplinary action up to and including dismissal. P E Systems will not tolerate retaliation against employees who raise concerns to any source in good faith.

# 25. Report Violations of this Code

Report violations or potential violations of this Code to the Ethics Officer, your manager, or any company Vice President or the President.

If you have good reason to believe that a violation of the Code or a contract provision has occurred, or you are asked to violate the Code or a contract provision, don’t remain silent. Report violation or suspected violations immediately. Depending on the circumstances, failure to report may itself violate this Code. Remember that no unethical or illegal acts can be justified by saying that they benefited P E Systems, or that they were directed by a higher authority in the organization.

In addition to reporting violations, you are encouraged to contact the Ethics Officer, your manager, or any company Vice President or the President. When faced with an ethical dilemma, it is always better to obtain guidance ***before*** acting.

25.1 How to Contact the Ethics Officer

You may contact the Ethics Officer as follows:

Call 703/246-9771

Write: P E Systems

Attn: Ethics Officer

10201 Fairfax Blvd., Suite 400

Fairfax, VA 22030

Fax: 703/246-9879

Email: wcooper@pesystems.com

25.2 No Negative Consequences for Reporting

Before reporting a violation or suspected violation, you should have a reasonable basis on which to conclude that an inappropriate activity is occurring. However, P E Systems will take no negative action against any person who reports what they believe in good faith to be a violation of the Code or any law, rule or regulation applicable to the company’s business. Any officer, director, or manager/supervisor who attempts to penalize a person for the good faith reporting of a violation or potential violation will be subject to disciplinary action, up to and including termination of employment.

25.3 Anonymous Reporting Hotline

P E Systems provide an ethics and compliance hotline for employees to report, anonymously if desired, ethics violations and other workplace related incidents. Incidents that do not require anonymity, please follow company standard practices and procedures for reporting.

**Incidents may be reported to the hotline 24 hours a day/7 days a week, as follows:**

***Telephone:* 844-240-0005 = English speaking USA & Canada**

**800-216-1288 = Spanish speaking, North America**

**800-603-2869 = Outside of North America (must dial country code first)**

***Website:* www.lighthouse-services.com/P E Systems**

***Email:*** [**reports@lighthouse-services.com**](mailto:reports@lighthouse-services.com)

***Fax:*  215-689-3885**

25.4 Hotline Posters

P E Systems contracts with federal government agencies may require P E Systems to display certain fraud hotline posters in conspicuous places in the worksite or on company websites. Where required, or when requested by any employee or customer, you shall display such posters in the proper locations.

P E Systems will not penalize any person who reports to the government, using the hotline number displayed on such a poster, what the person believes in good faith to be a violation of the Code or any applicable law, rule or regulation. However, P E Systems encourages you, where practicable, to report violations or potential violations to the Ethics Officer, your manager, or any company Vice President or the President.

25.5 Reporting to the Government

It is very important that P E Systems promptly report to the appropriate government personnel any suspected violations of law or other irregularities in connection with the government contracts on which P E Systems works. Accordingly, you are required to facilitate P E Systems timely and accurate reporting of suspected violations to the government.

25.6 Confidentiality

To the greatest extent possible, P E Systems will protect the confidentiality of any employee who reports a violation or potential violation of this Code, or any law, rule or regulation applicable to P E Systems and the government contracts on which P E Systems is working. If you are not comfortable identifying yourself when reporting violations or suspected violations of this Code, you are encouraged to report such violations or suspected violations anonymously.

# 26. Receipt and Acknowledgment

All officers, directors and employees must confirm receipt and acknowledgment of this document through the Learning Management System (LMS).