

ETHICS POLICY

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Director of Contracts

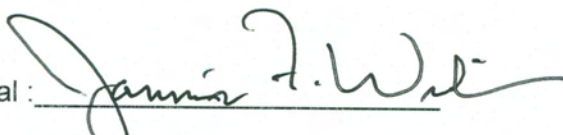
Approval: 
James F. Wilson, President, CEO

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1.0 POLICY STATEMENT

Kepler Research (Kepler) conducts its business with the highest degree of integrity and honesty and instills those values to all of its employees. Every employee, when representing Kepler during the normal course of business will conduct themselves in compliance with the full intent of the Kepler Code of Ethical Business Practices presented in this policy.

2.0 ETHICAL BUSINESS PRACTICES

2.1 Code of Ethics

The business operation and reputation of Kepler is built on the principles of integrity and ethical conduct of all our employees. Our reputation is based on the observance of the spirit and letter of all laws and regulations, regard for the highest standards of professional conduct and a commitment to excellence. We are considered a trusted partner and our dedication to our customers makes us a "Contractor of Choice".

Kepler instills strong values in our work environment and our employees. Employees shall be treated with dignity and respect and are provided a work environment which is safe and free from harassment. Kepler is committed to providing equal opportunity to all qualified individuals in its hiring and promotion practices.

Kepler sets high standards of professionalism and rewards its employees for outstanding contribution and customer satisfaction. In return, it is expected that all employees, consultants, subcontractors, and other agents acting on behalf of Kepler shall:

- Observe high standards of business and personal ethics in the conduct of their duties and responsibilities
- Practice fair dealing, honesty and integrity in every aspect of Kepler business
- Comply with all federal, state and local laws applicable to their jobs
- Report any misconduct, fraud or other inappropriate or suspicious behavior by another Kepler employee
- Act professionally and respectfully in all situations related to Kepler business dealings

It is expected that all employees, consultants, subcontractors, and other agents acting on behalf of Kepler shall *not*:

- Conduct unlawful discrimination against other employees, customers or potential applicants for future employment on account of race, gender, age, religion or national origin
- Engage in activities that involve bribery, kickback or other similar payoffs
- Disclose confidential or proprietary information outside of the company
- Commit fraud, waste or abuse in any aspect of the business

Kepler stands by these values in all its business operations.

2.2 Management Philosophy

Kepler is committed to the enforcement of the company Code of Ethics and expects compliance by its senior management, employees, subcontractors, and all agents acting on behalf of the company. Kepler is committed to a safe work environment and a law abiding workforce and will enforce a system for prevention and detection of improper conduct. Violations may be subject to disciplinary action and will be handled appropriately on a case-by-case basis in compliance with all federal laws and regulations.

2.3 Company Expectations

Kepler's commitment includes an expectation of its employees to:

- Comply with the company Code of Ethics
- Comply with customer Code of Ethics
- Not engage in any illegal business actions or actions that may be construed as such
- Be aware of others who may be suspected of wrong-doing
- Report suspicious behavior, perceived wrong-doings or improper business activities conducted by either Kepler employees, management or customers recognizing the need to be sensitive to customers' environments

2.4 Specific Improper Business Activities/Employee Behavior

The following reflects improper business activities or poor judgment either by or toward Kepler employees, management, supervisors, co-workers, subcontractors, or customers:

Conflicts of Interest: A conflict of interest exists when a person's private interest interferes in any way, or has the appearance of interference with the interests of Kepler. Examples of potential conflicts of interest that may arise include:

- An employee or officer or a member of his/her family receives improper personal benefits as a result of his/her position with Kepler.
- An employee or officer takes actions or has interests that make it difficult to perform his/her duties as expected.
- An employee or officer has any direct or indirect business connection with a customer, supplier or customer outside the tasking required under a contractual obligation.

Corporate Opportunities: Employees and officers are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position. No employee or officer may use corporate property, information or position for personal gain, and no employee or officer may compete for business or other financial gains with Kepler either directly or indirectly.

Competition and Fair Dealings: Kepler seeks to outperform our competition fairly and honestly through superior performance, never through unethical or illegal business practices. "Stealing" proprietary information, possessing trade secret information obtained without owner's consent or inducing such disclosures by past or present employees of other companies is prohibited.

No employee or officer is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal anti-competitive activities. Gifts or entertainment shall not be offered, given or accepted by any Kepler employee or officer, family member or agent unless it falls into one of the following categories:

- Is not a cash gift
- Is consistent with customary business practices
- Is reasonable in value
- Cannot be construed as a bribe or payoff
- Does not violate any laws, regulations or applicable policies of the other party's organization.

Political Contributions: Unless approved by the Kepler CEO or Board of Directors, Kepler prohibits political contributions directly or through trade associations including any contributions of Kepler funds or other assets for political purposes, encouraging any

Kepler employee to make such a contribution or reimbursing an employee for a contribution.

Discrimination and Harassment: Kepler is committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment based on race, color, religion, sex, national origin or any other protected class.

Health and Safety: Kepler strives to provide each employee and officer with a safe and healthy work environment. Each employee and officer has responsibility for maintaining a safe and healthy workplace for all employees and officers by following environmental, safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Violence or threatening behavior will not be tolerated and will be handled proper authorities as appropriate.

Information Controls and Disclosure: Kepler expects honest, accurate and timely recording and reporting of information in order to make responsible business decisions. All company records which include financial records, deliverables, contracts, emails and other documented communication shall be safeguarded and protected as any other company asset. Documented communication shall not include exaggeration, derogatory remarks, or inappropriate characterizations or misrepresentations. Employees are expected to maintain the confidentiality of proprietary information entrusted by them by Kepler or its customers.

Payments to Government Personnel: The promise, offer or delivery to an official or employee of the US government of a gift, favor or other gratuity is prohibited. Such an act is in violation of Kepler policy and can also be a civil or criminal offense. Further, the US Foreign Corrupt Practices Act prohibits giving anything of value directly or indirectly to officials of foreign governments or foreign political candidates in order to obtain or retain business.

Other inappropriate behavior by Kepler employees or officers includes:

- “Kickback” activity by Kepler employees, subcontractors, or other agents of the company. Kickback is defined as knowingly and willfully receiving or paying anything of value to influence the course of federal business.
- Illegal/Unethical bid practices
- Misrepresentation of proposal certifications
- Intentional mischarging of costs charged to government
- Intentional disclosure of company proprietary information
- Tying job expectations to improper behavior
- Discriminating against individuals or groups related to race, gender, sexual orientation, or religion

- Verbal abuse or harassment of any nature
- Derogatory or discriminatory language that is construed as offensive
- Physical threats whether blatant or implied
- Improper sexual advances through language or behavior
- Criminal behavior of any kind

2.5 Reporting any Illegal or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate Kepler personnel about observed behavior, which they believe may be illegal or a violation of this policy. It is Kepler's policy not to allow retaliation for reports made in good faith by employees of misconduct by others. Kepler will conduct appropriate investigations and ensure the employee's identity will remain anonymous and be protected throughout the process.

For suspected acts of fraud, waste, abuse or gross mismanagement by a federal employee, Kepler employees can anonymously contact the Defense Hotline to report such acts by calling 1-800-424-9098 or emailing at hotline@dodig.mil. In accordance with the Defense Hotline Program addressed in DFARS 252.203.7002, Kepler posts the most current Hotline poster in a common area of all its locations.

2.6 Employee Awareness

Kepler communicates this policy to all employees on an annual basis to ensure a full understanding of the Kepler standards of conduct. All employees are required to sign the attached acknowledgement indicated that they fully understand this policy. A record of this acknowledgement will be maintained in the employee's personnel file.

3.0 EMPLOYEE ACKNOWLEDGEMENT FORM

**Code of Business Ethics
Employee Acknowledgement**

This is to acknowledge that _____ has read and understands the Kepler Code of Business Ethics and has received and understands the company Ethics Policy. Employee further agrees to comply with the Kepler Code while acting as an agent of Kepler in any business capacity and understands that any significant violation of this code may result in disciplinary action. Employee further understands and acknowledges his/her responsibility notify appropriate Kepler management of any suspected wrongdoing.

Employee Printed Name: _____

Employee Signature: _____