

QIVLIO

A NANA Company



ETHICS AND COMPLIANCE PROGRAM
CODE OF CONDUCT

The Qivliq Core Principles

**HONESTY AND INTEGRITY GOVERN OUR
ACTIVITIES**

COMMITMENTS MADE WILL BE FULFILLED

**ALL INDIVIDUALS ARE TREATED WITH DIGNITY
AND RESPECT**

The three principles have been core to Inupiat survival for the last 10,000 years and are still followed by our 13,000 shareholders.

Every Inupiaq is responsible to all other Inupiat for the survival of our cultural spirit, and the values and traditions through which it survives. Through our extended family, we retain, teach and live our Inupiaq way. With guidance and support from Elders, we must teach our children Inupiaq values.

On the Cover: Photograph of buoy located in the Gulf of Alaska just off the coast of the Point Retreat Lighthouse, located on the northern tip of Admiralty Island. Copyright: Grant Dougall

A MESSAGE TO ALL MEMBERS OF THE QIVLIQ FAMILY OF COMPANIES

As a NANA company, our mission is to improve the quality of life for our shareholders and employees by maximizing economic growth, protecting and enhancing our environment, and promoting healthy communities with decisions, actions, and behaviors consistent with our core principles: *Honesty and integrity will govern our activities. Commitments made will be fulfilled. Everyone will be treated with dignity and respect.*

These core principles are the essence of the Qivliq Code of Conduct.

The Code is a statement of the policies of QIVLIQ, LLC (The Company) and its subsidiary companies for conducting its business in accordance with applicable laws and the highest ethical standards. The Company expects that a high level of ethical standards and personal integrity will be reflected in all of its business dealings. Similarly, the Company expects its employees, officers and directors, to exercise good judgment and maintain high ethical standards in activities which affect the Company. Each of us will be held to those standards. No business goal, no matter how important to you or the company, will justify the violation of the Code.

If you have questions regarding any subject outlined in the Code, please seek out an answer by addressing it with your supervisor or use one of the many other channels available to you as described in the Code. Your concerns will be addressed promptly and with care and respect.

As a member of the Qivliq Family of Companies, you play a vital role in the success of Qivliq, NANA and our Shareholders. I thank you for embracing our values and your continued contribution to our collective success.

Sincerely,

Bill Monet
President and Chief Executive Officer

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About the Qivliq Ethics and Compliance Program and the Code of Conduct

It is a fact that the misdeeds of a few can have a disastrous effect on a company – whether publicly traded or private. An effective compliance and ethics program can help mitigate risks to the company and limit its exposure to criminal and civil liability. Our corporate Employee Handbook, the Code of Conduct as well as other Policies and Procedures outline what is expected of our employees when representing the company.

No business goal, no matter how important to the company or its personnel, will justify the violation of any of the policies in the code.

The Ethics and Compliance Program does not replace these important resources. It does, however, attempt to sharpen the focus on acceptable behavior in the hope that when we act – we will do so responsibly so that when something does go wrong, we protect the company and our employees.

The goals of the Ethics and Compliance program are to...

- deter or prevent misconduct from occurring in the first place;
- facilitate early detection thereby mitigating risk;
- minimize the severity of any charge brought forth by the government, should criminal conduct occur and
- provide tangible evidence that corporate officers are carrying out their fiduciary obligations.

The Ethics and Compliance Program takes a multi-faceted approach to ensure success. *First*, the organization's governing authority is vested in the program and exercises oversight with respect to the implementation and effectiveness of the program. *Second*, it is the responsibility of the company to ensure that authority vested in employees is done so only after appropriate due diligence has been accomplished. *Third*, to ensure all employees are familiar with the program, the company will establish a viable training program. *Fourth*, systems, policies and procedures must be in place to ensure that program violations or criminal conduct can be detected or prevented. *Fifth*, company management must take appropriate response to the actions of its employees – both positive (for supporting the ethics program) and negative (for violations or failure to support the program). *Sixth*, in cases of substantiated misconduct, the company must ensure that a scaled approach is taken to address the type of misconduct.

Responsibilities

All supervisors and managers must adhere to the Company's policies, standards and procedures, and will be responsible for maintaining awareness on the part of employees under his/her supervision of the contents and the importance of adherence to the Company's policies, standards and procedures. While supervisors and managers are to ensure that employees under his/her supervision are aware of the Company's policies, standards and procedures, each individual employee is responsible for his/her own understanding of, and compliance with, these policies, standards and procedures. In addition, management will screen employees to

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prevent discretionary authority from being delegated to persons who have demonstrated insensitivity to the requirements of Company policies, standards and procedures and applicable laws.

Reporting Actual or Suspected Violations

Employees should speak to his/her manager or to the appointed compliance officer if at any time they have any questions about proper business conduct. The corporate compliance officer is primarily responsible for overseeing and supervising compliance with Company policies, standards and procedures.

Duty to Report

Every employee, consultant, agent or other representative of the Company having information or knowledge of any actual or contemplated conduct or transaction which appears to violate the Company's policies, standards or procedures is required to report the matter promptly to his/her supervisor or manager; to the Ethics Officer or to the General Counsel. Reporting may be written or oral, and it may be anonymous. If requested to do so, the Company will consider keeping the identity of the person disclosing such information confidential in so far as doing so does not impede an investigation or resolution of the matter.

Duty to Investigate

Possible violations of the Company's policies, standards or procedures will be investigated promptly at the direction of the company General Counsel.

A reporting person's supervisor or manager, or the General Counsel, if the General Counsel deems it appropriate, is obligated to pursue the report and to inform the reporting person of its disposition.

No Retaliation

Employees at all levels are prohibited from retaliating against anyone for reporting in good faith a violation or suspected or potential violation of Company policies, standards or procedures.

Internal Compliance Reviews and Audits

The regular audits of the Company conducted by the internal and outside auditors will include procedures to ensure compliance with Company policies, standards and procedures with respect to the integrity of its books and records. The principals of risk management will be applied when selecting areas for review.

Compliance & Training Programs

All employees must participate in the Company's compliance and training programs, which cover the policies, standards and procedures of the Company and are designed to ensure that all employees obey the law.

New full-time employees will receive a copy of these policies, standards and procedures at the time of employment and will certify his/her understanding of the contents.

Annual Certification In addition, every employee shall be required to certify periodically that he or she has, during the preceding year, complied with the terms of the Company's policies, standards and procedures, and has reported all violations of which he or she is aware.

Where can I go for further assistance?

As mentioned elsewhere in this document, the preferred method for raising a concern, making a complaint or reporting a violation is to use your supervisory chain of command. There are situations however when this would not be practical or advised – as in a situation in which the complaint is against one of your supervisors.

All employees may contact their Human Resources Staff to seek advice or raise matters of concern. You may also address issues of concern to the corporate Ethics Officer; the corporate Compliance Officer or other corporate resources.

TO MAKE A CONFIDENTIAL REPORT – call 1-888-4-QIVLIQ. You will be provided with a five digit code which will be used to follow up on your report. You may provide your name or you may remain completely confidential. This is a third party service that provides only a transcript of the call to the Qivliq Ethics Office.

Policy Statement

It is the policy of this company that we:

- Conduct our business according to the highest ethical and legal standards.
- Insist that all employees avoid activities and situations, which may create, or even appear to create, conflict with the interests of the Company.
- Maintain accurate and reliable corporate records in accordance with accepted accounting principles and practices and other adequate internal controls.
- Engage in all business activities in an ethical manner, free from personal interest or gain and in accordance with applicable laws and regulations.

Applicability

The Code and the policies described herein are applicable to all “company personnel” (*employees, management council members, board members, officers, consultants and others acting on behalf of the company*).

Relationship to the Company

The Company expects that a high level of ethical standards and personal integrity will be reflected in all of its business dealings. Similarly, the Company expects its company personnel to exercise good judgment and maintain high ethical standards in activities which affect the Company.

Business Transactions

The results of operations of the Company must be recorded in accordance with the requirements of law and generally accepted accounting principles. The integrity of the Company's accounting is based on the validity, accuracy and completeness of supporting documents and original entries in the Company's books and records. Each employee, officer and director of the Company involved in creating, processing or recording accounting information affecting the Company shall be held responsible for its integrity.

No false or intentionally misleading entries shall be made, directly or indirectly, regardless of motive, in the Company's books and records or in connection with any documentation relating thereto.

Complete and accurate information shall be given in response to inquiries from the Company's internal or outside auditors, the company General Counsel or any of the Company's accounting or compliance entities. No employee, officer or director shall conceal any information necessary to the preparation of accurate books, records, accounts and financial statements.

Compliance with All Laws

Violations of laws can have a devastating and lasting effect on the persons involved as well as the Company. Violators may be subject to corporate disciplinary action, which may include termination of employment. Violators may also subject themselves as well as the Company to criminal and civil liability that can result in substantial monetary penalties and imprisonment. Please note that it is your duty to conduct the Company's business according to the highest standards and to comply with all laws and regulations.

Conflicts of Interest

It is policy that company personnel should not place him or herself in a position where his or her actions, personal interests or the activities or interests of those for whom he or she acts, is, or is likely to be, in conflict with the interests of the Company.

While it is impossible to list every circumstance that may cause possible conflict, the prohibitions listed below serve as a guide to avoiding such conflict.

Company benefit only

Company personnel shall not use nor permit others to use the Company's employees, material, equipment or other Company facilities or property for personal or non-corporate purposes.

Company right of first refusal

Company personnel or immediate family members are prohibited from taking direct or indirect advantage of any business opportunity which is received by reason of his/her relationship with the Company and in which the

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Company may be interested, unless such opportunity has been presented to the Company for consideration and has been rejected by an appropriate official or body, and the use of such opportunity does not otherwise contravene Company policy.

Direct or Indirect Financial Interest

Company personnel shall not have a direct or indirect financial interest in an organization doing or seeking to do business with the Company, including but not limited to serving as a promoter, stockholder, officer, director, employee or paid consultant to any such organization, if they are in a position to influence any current or potential business transaction or provide preferential treatment in future transactions. When in doubt, employees should notify management of a possible conflict and seek further advice from the company General Counsel.

Full and Open Disclosure

Company personnel must disclose promptly, in writing, any personal situation or transaction that is or may be in conflict with the Company's policy on conflicts of interest. Advice should be sought from the company Ethics Officer or company General Counsel.

Hiring Practices Involving Current or Former Military / Federal Employees

Special restrictions apply to hiring or retaining a government or former government employee (including military officers) as an employee or consultant of the company. In addition, there are special constraints regarding any communication concerning possible employment of government employees who are designated as "procurement officials" during the conduct of any procurement action and otherwise. In order to be sure that you do not run afoul of restrictions in this area, before discussing potential employment with any government employee, contact a representative of Human Resources for advice.

Some of the policies in the code are simply statements of common sense or what is required by law or regulation; others are less obvious. The code is intended to be a general statement of the principles that you should apply to your business conduct. When in doubt – ask your manager. You may also address related issues to the company Ethics Officer or via the Employee Helpline at 1-888-4-QIVLIQ

Authorization from Human Resources must be obtained before entering into any talks relating to proposed employment with current government employees, and then only after they have publicly announced that they are leaving government service. In addition, any plans to employ retired military officers of general or flag rank, or civilian officials having the rank of Deputy Assistant Secretary or above, must be approved by the Vice President, Human Resources.

Primary Employment

The primary employment of each employee of the Company must be his/her position with the Company. Any outside employment or activities must be secondary and subordinate to his/her position with the Company and must not interfere in any way with the performance of his/her duties as a Company employee. Any such relationships that could be construed as a conflict with this policy must be disclosed to the Company. Caution must be exercised when developing business opportunities with other companies and consultants. In all cases, Teaming Agreements and Nondisclosure Agreements (NDA) will be used to ensure any such arrangements are allowable and are not in conflict with the interests of the Company.

Restrictions on Endorsement

Company personnel shall not endorse any product, service or organization in which the employee is described, directly or indirectly, as an employee of the Company, unless specifically authorized by the Company.

Similar Business Restrictions

Employees shall not engage in the same or similar lines of business as conducted by the Company, or serve, volunteer or be employed by another firm or individual so engaged and should not accept positions on the Board of Directors or any advisory board of other companies or organizations that are customers, suppliers or otherwise do business with the Company or who are in the same or a related line of activity or business as the Company without the prior approval of the President and company General Counsel.

Fraud and Misrepresentation

Company personnel shall not engage in or permit activities to be undertaken on behalf of the Company that involve fraud or mis-representations with respect to any aspect of the Company's business. In particular, company personnel will not make false or deceptive claims to promote the Company's products or services.

Gratuities and Gifts

The receipt or offering of gifts and gratuities for any questionable, improper or illegal purpose is prohibited – regardless of motive. Under no circumstances will the payment of any bribe or kickback be made, promised, solicited or accepted, regardless of the motive.

\$20.00; \$50.00?

Where did these numbers come from? Generally they are in line with the restrictions government employees face when acting on behalf of the government.

Limitations on Gifts

Company personnel may not give or receive gifts or services of any substantial value from customers, suppliers or others doing business with the Company. Where not prohibited by law, employees are authorized to receive unsolicited gifts valued at \$20.00 or less per occasion. However, in no instance shall an employee accept more than \$50.00 in gifts from the same source in a calendar year.

This prohibition includes the offering of stock options or participation in "Friends and Family" programs of customers, suppliers or others doing business with the company.

Reasonable Entertainment

This prohibition does not include the value of reasonable entertainment permitted by law and consistent with local social and business custom. Company personnel who receive or are offered a gift or service of any substantial value or extraordinary courtesy or favor, except as expressly permitted by the Company's written policy, is required to decline or promptly return the same unless, upon submission of a written request setting forth the circumstances which, in his or her opinion, would justify the receipt or retention of the gift, he or she receives written permission of the Company.

Loans

Company personnel may not loan to or borrow from individuals or concerns that do business with the Company or its affiliates, except transactions with banks or other financial institutions in accordance with normal business practice.

Accurate Recording of Expenses

Any expense incurred by or on behalf of the Company, directly or indirectly, in connection with any customer, supplier or other person doing business with the Company, or any employee or agent of any such customer, supplier or other person, shall be recorded and documented properly and

RECEIPTS?

"Documented Properly" means that all expenses presented for reimbursement must be substantiated fully and include receipts when appropriate.

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accurately in the Company's books and records in accordance with the appropriate Company policies, standards and procedures.

Information Asset Protection

Confidential, proprietary and private Company information, as more particularly described below, comprise some of the primary assets of the Company. It is the duty of every employee to preserve and protect such assets.

Breach of an employee's obligations to preserve and protect these important assets of the Company may result in immediate discharge from employment, and legal action taken against the employee.

Definitions

Confidential Information

Confidential Information is all private and all proprietary information of the Company which the Company wishes to protect from unauthorized disclosure. Confidential Information can appear in many forms including, but not limited to, formal documents, reports, handwritten notes, on display screens, or in computer memory storage devices and media.

Private Information

Private Information is that information which is personal in nature relating to the Company's employees. Private information includes, but is not limited to, the following: Medical and insurance records; Benefit information; Personnel files (i.e. applications, references, memos, Personnel Action Forms, requests for leave, dependent information, and family status); Performance appraisal forms; Salary and payroll records/reports, W-4/W-2 forms, Disciplinary reports; Employment agreements; Credit/criminal checks and Disability and accommodation information and requests

Intellectual Property

The Company owns or is the licensee of various intellectual property rights including granted, pending, or other legal rights to patents, copyrights and trademarks. In some cases, the Company has acquired these rights from third parties through development, purchase, or licensing agreements. Other intellectual property rights have been created by development within the Company by the Company's employees or others utilizing the Company's resources. All inventions, know-how, and other intellectual property created by the Company's employees and contractors the Company determines are useful to the Company, are the sole property of the Company.

Trade Secrets

A "trade secret" is information that gives the Company an opportunity to obtain an advantage over competitors who do not know or use it. Trade secrets may consist of, among other things, any formula, pattern, device, program, method, technique, process, or compilation of information which obtains independent economic value (present or potential) by virtue of the fact that it is not known by the general public or by any person other than the Company who could obtain economic value from its disclosure or use.

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Therefore, for information to be protected as a "trade secret," reasonable efforts must be made to maintain its secrecy since once exposed to a third party without restrictions, such classified information may lose its trade secret status and its legal protection as such.

Employees with access to Confidential Information must use their best efforts to take precautions to protect the confidentiality of such Confidential Information. For example, an employee would be undertaking reasonable precautions if he/she turns confidential documents face down on his/her desk and makes efforts to ensure that Confidential Information is not displayed on his/her computer monitor while the computer is left unattended. Managers should use their best efforts to ensure that employees understand the importance of undertaking such reasonable precautionary measures to ensure maintenance of confidentiality.

Safeguards

Those persons involved in special projects, studies, etc., must establish area controls in situations where due to the size or volume of Confidential Information, it is not possible to prevent access to such information by unauthorized persons. Area control safeguards include posting of the area as CONFIDENTIAL and control of admittance through use of locked doors. Admittance should be on a need-to-know basis.

Confidential Information contained in the memory of all central processing units and in personal computers should be protected by passwords and by locking when not in use. Confidential Documents that need to be destroyed should be shredded or torn beyond recognition.

Waste materials containing Confidential Information, including drafts, computer disks or diskettes, work sheets and similar items, unless stored as required above, should be destroyed, shredded or torn beyond recognition.

Any employee who has received Confidential Information prior to being transferred or leaving the premises by reason of voluntary or involuntary termination must account for and return all documents and other media containing Confidential Information which have been delivered to him/her by the Company.

Information Systems and Acceptable Use

Computers, peripherals, handheld, and wireless devices owned and/or issued by the company remain the property of the company and are intended for business use only. All such systems and the information contained on them are subject to monitoring or review by the company, and no expectation of privacy exists in the possession or use of these systems. Employees are responsible for proper handling and protection of all hardware, firmware, software, data, and information associated with these systems. This includes ensuring that software is properly licensed and that the equipment is reasonably protected from theft, tampering, and misuse.

In addition, employees are responsible for protecting any and all information that may reside on such systems, regardless of its sensitivity or subject matter. Information must be properly protected while resident on the system and while being processed, copied, transmitted, received, or exchanged.

Although a limited and reasonable amount of non-business use may be tolerated in some cases (e.g., personal access to the internet), such use should be minimal and proper security measures still apply. Under no circumstances will any inappropriate matter (e.g., pornography, illegal activities, defamatory material, threats, etc.) be accessed, downloaded, stored, transmitted, or processed on company owned or issued systems.

The Workplace

It is the responsibility of the company to provide our employees with a safe environment in which to work. All employees are treated with respect and consideration in the workplace. It is everyone's responsibility to help protect the safety and security of him or herself; other employees; customers; vendors; other business partners and the public.

We work as a diverse team of individuals with various talents and backgrounds, reflective of the communities where we live and work.

In addition to the information provided below, employees should seek further assistance from the Employee Handbook, their managers or their Human Resources staff should additional information be needed.

Americans with Disabilities Act

It is the policy of the Company to comply with the Americans with Disabilities Act (ADA). Therefore, in the case of an employee who has a mental or physical disability (as defined in the ADA), which prevents him/her from performing one or more of the essential functions of the job, the Company will attempt, through a flexible, interactive process with the employee, to identify a "reasonable accommodation" that will enable the employee to perform such functions.

In the case of an employee who is already employed, if the Company and employee are unable to identify a reasonable accommodation that will enable the employee to perform his/her current job, the Company will then consider other methods of accommodation, such as reassignment to a different job in which the employee can perform the essential functions of the job, with or without reasonable accommodation.

Notwithstanding the above provisions, an employee will not be assigned to work on a job if (i) he/she is not otherwise qualified for the job; (ii) he/she is unable to perform one or more of the essential functions of the job, with or without reasonable accommodation; (iii) the accommodation would create an undue hardship for the operations of the business.

Please note that this policy on the ADA is coordinated with the Family and Medical Leave Act (FMLA) and where appropriate, the provisions of the Company's FMLA policy will control.

Drug Free Workplace Act

The Company and/or its divisions, subsidiaries, or affiliates may from time to time enter into contracts with the federal government including the Department of Defense. Federal contracts require an affirmative statement that we are in compliance with the Drug Free Workplace Act of 1988.

The company has published a statement in the Employee Handbook notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's workplace and specifying the actions that will be taken against employees for violations of such prohibition.

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As a condition of employment on federal contracts, the employee will abide by the terms of the statement; and notify the company of any criminal drug statute conviction for a violation occurring in the workplace no later than 5 days after such conviction. Within 10 days of notice, the company will notify appropriate contracting agency of the conviction.

Through the Employee Assistance Program (EAP), the company has established avenues for employees to seek available drug counseling, rehabilitation, and other assistance programs.

Drugs and Alcohol

In addition to our requirements under the Drug Free Workplace Act, the Company has a strong commitment to its employees to provide a safe, healthy and secure workplace and to establish programs promoting high standards of employee productivity, quality, security, safety, and health.

The use of illegal drugs and the misuse of alcohol or drugs are inconsistent with the behavior expected of employees, are injurious to the employees' health, and subject the Company and its employees to unacceptable risk, workplace accidents or other failures that present unacceptable safety and health risks and which undermine the ability to operate effectively and efficiently.

Non-compliance with any of the company's procedures, rules and policies regarding Drugs and Alcohol will be grounds for disciplinary action, up to and including termination.

Employee Conduct

In accepting employment with the Company, each employee, in his or her individual capacity, is responsible for making sure that his or her conduct complies fully with Company policies, standards and procedures and all applicable laws. Employees who fail to comply with any part of the Company's policies, standards and procedures are subject to disciplinary action which, depending on the seriousness of the matter, may include reprimand, probation, suspension, demotion or termination.

Examples of conduct that may result in discipline include:

- Taking or acquiescing in actions, which violate a Company policy, standard or procedure.
- Requesting others to violate a Company policy, standard or procedure.
- Failing to report a known or suspected violation of a Company policy, standard or procedure.
- Failing to cooperate in Company or government investigations of possible violations.
- Taking retribution or retaliating against another employee for reporting a violation.

Q. I am a mid-level manager at one of the subsidiary companies. One of my subordinates told me that another employee was sexually harassing her. She did not want her complaint to go further and wanted it kept "*just between you and me.*" Am I required to report this up the chain? What should I have done?

A. Yes. This should have been reported further as the company has a responsibility to ensure a safe and harassment free work environment. All employees are required to report known or suspected violations of the code; however a special trust is placed in management by the company.

In addition to discipline by the Company, conduct which constitutes a violation of the Company's policies, standards and procedures may also violate applicable laws and regulations, and thus, may subject the violator

personally to criminal penalties (including fines and jail sentences) and/or civil sanctions (damage awards and/or fines).

Former Employees

We will ensure that any and all business dealings with former employees will be conducted in accordance with company policies. In some cases, former employees are prohibited from accepting employment with certain companies, which, as a result of their new position, would cause them to breach employment conditions they have with the company – or disclose non-public company information.

Any consideration to selling to; buying from or otherwise working with former employees must first be authorized by the Human Resources department.

Employee Conduct & Disciplinary Action

The employees of the Company are key to the success of the Company. Significant resources are available to employees in creating developmental opportunities, a performance oriented reward system, an open environment, and a sense of individuality. The Company's disciplinary system and guidelines for employee conduct discussed below are designed to foster employee development. The Company believes that the cornerstone of managing conduct and behavior is built on open and two-way communication. There will be certain expectations established relating to conduct and behavior throughout an employee's experience with the Company via entry-level training and subsequent on-the-job development and evaluation. Our business principles provide significant insights as to what behavior and values are important.

One should keep in mind that it is impractical, if not impossible, to provide within this code an exhaustive list of all activities and/or conduct that the Company considers to be a business abuse or contrary to good business practice.

Each supervisor is responsible for assessing the conduct and behavior of his/her employees, keeping in mind the non-exclusive guidelines described below. If corrective action is warranted, the supervisor may consider counseling, formal written communication, work time off (with or without pay), or other disciplinary action. Moreover, termination may be considered appropriate even if none of these preliminary steps have been taken. The corrective action taken to encourage and maintain acceptable conduct will be determined in view of the facts and circumstances of each individual case.

Supervisors should consult Company management before taking any adverse action against the employee concerning his/her conduct. In this regard, each incident will be considered in light of a variety of factors including but not limited to:

- The employee's length of service
- The employee's past conduct and performance
- The seriousness and the circumstances of the incident

Employee honesty and integrity are as essential to the success of the Company as are good customer relations. The Company expects honesty and integrity of its employees.

The Employee Handbook identifies certain types of conduct that the company considers improper and unacceptable in the workplace.

Employee Privacy

There is only one way to build trust. It is based upon mutual respect. With that in mind, the privacy of all employees will be respected insofar as it does not conflict with the needs of the company. As a company we are committed to protecting all of our employees from unwarranted intrusions into personal privacy.

As a company, we will ensure that we will maintain only that personal information required for valid business needs. Employee personal information will only be used for valid business purposes. Information concerning the employee will only be released to authorized personnel, for legitimate reasons and in accordance with applicable laws.

There will be times when the business needs of the company may be in conflict with an individual employee's privacy.

Employees must respect each other's privacy. Unless under authority of the company and based upon a valid business need, employees are prohibited from such activities as searching through another employee's work area; accessing his or her email or attempting other invasions of personal privacy.

The company has a duty to all employees and to the company itself. If warranted, the company reserves the right to:

- Monitor personal communications.
- Monitor email accounts.
- Search any and all company property at any time.
- Search offices, desks, lockers, bags and the like.
- Search personal computers used for company purposes.

This valid business need extends to company property located off company premises. The company will ensure that any such actions will be conducted in accordance with local, state and US federal law.

Equal Opportunity

Qivliq understands that good hiring decisions are critical to our success. We take the recruiting process seriously and select only those individuals who are motivated to learn and grow, and who take pride in a job well done. Qivliq also recognizes that happy employees are productive employees. Treating our team well is one of our firm's top priorities. It's the right thing to do, and it makes good business sense! Accordingly, we strive to create a working environment that is both intellectually stimulating and personally satisfying.

As a member of the NANA family, we value a diverse workforce while providing hiring preference to our shareholders.

Both company and employee responsibilities are outlined in detail in the Employee Handbook. It is the responsibility of the Human Resources Department to investigate any claim of discrimination. All employees must cooperate with any investigation.

Harassment

The Company is committed to providing a work environment that is free of discrimination of all types. In accordance with this commitment, the Company maintains a strict policy, which absolutely prohibits any kind of

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harassment, including but not limited to sexual harassment. Furthermore, this policy prohibits harassment in any form including verbal, physical, and visual harassment. Employees who violate this policy will be subject to discipline, up to and including suspension or termination.

Each member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. Further, employees are responsible for respecting the rights of their co-workers.

An employee who believes he/she has been harassed by a co-worker, supervisor, agent of the Company or others, within the meaning of this policy, must immediately report the facts of the incident to his/her supervisor, or to any other supervisor or member of management whom the employee feels could help without fear of reprisal, or, in the alternative to any member of the Human Resources Department or company General Counsel. Any supervisor or member of management receiving such a report should immediately report any incidents of harassment to the Human Resources Department. The Human Resources Department will promptly investigate all such complaints and take appropriate action.

The Company prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy or for assisting in a complaint investigation.

Safety

We are committed to providing a safe and healthy environment for our employees. In so doing, we can mitigate unnecessary risk.

All employees are required to report any and all health and safety issues immediately; report any and all employee accidents immediately; when necessary, wear appropriate safety equipment; Comply with all safety and health laws.

Except where authorized by law or in connection with a valid business need, hazardous materials will not be introduced to the company premises. The company will ensure that any and all safety and health hazards will be eliminated as soon as practicable. The company will also cooperate with government or regulatory health and safety officials when conducting reviews and inspections.

Workplace Violence

The Company expressly prohibits any acts or threats of violence by any employee or former employee against any other employee in or about the Company's facilities or elsewhere at any time. The Company also will not condone any acts or threats of violence against its employees, customers, or visitors by any individual on the Company's premises at any time or while they are engaged in business with or on behalf of the company, on or off Company premises. Violations of this policy, by any individual, will lead to disciplinary action up to, and including, suspension or termination and/or legal action as appropriate.

Human Resources and Security personnel (if any) will immediately investigate any reported violence, harassment, or threats committed on Company premises. All employees who commit violent acts or who otherwise violate this policy are subject to corrective action or discipline up to, and including, termination of employment.

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The Company will seek the prosecution of all of those who engage in violence on its premises or against its employees while they are engaged in Company business.

In furtherance of this policy, employees have the duty to report to his/her supervisors, security personnel, or human resources department if they are aware of or suspect any threats to workplace activity, situations, or incidents that are made by employees, former employees, customers, or visitors which includes, but is not limited to, threats, acts of violence, aggressive behavior, or threatening or offensive acts or comments. Depending on the situation, employees are also expected and encouraged to contact law enforcement authority by dialing 911, if the situation warrants.

Employee reports made pursuant to this policy will be held in confidence to the maximum possible extent. Additionally, the company will not condone any form of retaliation against any employee for making a report under this policy.

However, if after investigating any complaint of workplace violence the company determines that the complaint is not bona fide or that an employee has provided false information regarding the complaint, disciplinary action may be taken against the individual who filed the complaint or who gave the false information.

Relationship to Competitors and the Market

We believe fair competition is the fundamental principle of the private enterprise system. We support laws, which prohibit restraints of trade, unfair practices or abuse of economic power. We believe that particular care must be taken to avoid practices that seek to increase sales in any way other than providing the best possible quality, price, service and value to our customers.

Anti-Boycott Laws

American laws prohibit the Company from complying with or otherwise supporting a foreign country's boycott of another country, which is "friendly" to the United States. These laws also impose an obligation upon the Company to report promptly to the U.S. Government the receipt anywhere in the world of any request to furnish information or to enter into any agreement, which supports or furthers such a boycott. If an employee, officer or director receives or learns of an improper boycott or related information request, he or she should report it to his or her supervisor or Company management. Violation of these rules or regulations may result in the loss of the Company's right to export United States-origin products or technology.

Antitrust Laws

The antitrust laws of every country in which the Company does business, including the United States, are a critical part of the business environment in which the Company operates. They are designed to preserve vigorous competition and the free workings of the market. The Company is dedicated to strict compliance with the antitrust laws by the Company, by each employee, officer and director, individually, and by any association of which the Company is a member.

A SAMPLING OF ANTI-TRUST VIOLATIONS ...

Price-fixing with Competitors: It is illegal to set, fix, stabilize, maintain or otherwise agree on any price with a competitor. An illegal agreement includes any understanding, oral or written, formal or informal.

Resale Price Agreements with Customers: An agreement with a customer concerning the price at which a customer will resell is illegal.

Territorial/Customer Restrictions with Competitors: Agreements among competitors to allocate markets or customers are antitrust violations.

Exclusive Dealing: It may be illegal to sell or lease only on the condition that the customer or lessee will not deal with a competitor of the seller/lessor. Accordingly, any such arrangement should be made only after consultation with the Company General Counsel.

Export Control Laws

The Company and its employees, officers and directors must comply with all laws and regulations applicable to national and multinational export and re-export of American goods and technology. Under certain circumstances, these laws prohibit subsidiaries of American companies, including subsidiaries located outside the United States, from dealing directly or indirectly with particular countries. Guidance in adhering to these laws should be obtained from the company General Counsel.

Securities Laws

Although the company is not a publicly traded company, and as such not directly subject to Securities and Exchange Commission (SEC) rules and regulations, many of the companies with whom we do business are subject to these rules. The Company is committed to the principles of fair and open markets for publicly traded securities. Laws in the United States and in some other countries restrict the use of material non-public information (insider information) by employees, officers, directors and others.

Insider Information

In general, the law and the Company's policy prohibit an employee, officer, director or other insider with access to, or who at any time has been provided with, confidential or non-public information of the Company, or another company, from using that information for personal gain. They also prohibit an employee, officer, director or other insider from providing that information to others before the information is disclosed to, or has had time to be assimilated by, the general investing public.

Relationship to the Community

Environmental Laws

The Company is committed to a safe environment and sound environmental actions. Federal, state and local authorities have enacted laws to safeguard our environment by limiting certain conduct. While laws and regulations may vary from area to area, employees, officers and directors must be aware of and comply with all environmental requirements applicable to them.

Foreign Corrupt Practices Act (FCPA)

The Foreign Corrupt Practices Act ("FCPA") prohibits direct and indirect payments to foreign officials and certain other recipients for the purpose of obtaining a business benefit. Violations are punishable by severe criminal and civil penalties: companies may be fined up to \$2 million, and company directors, officers, employees or agents may be imprisoned for up to ten years.

In order to ensure that the Company complies fully with this law, all employees, officers, directors, and shareholders of the Company and all staff of its joint ventures shall be bound by this policy. Further, as discussed below, all such persons shall ensure that any dealings with agents, consultants, and joint venture partners - particularly abroad - be in compliance with the FCPA.

The record keeping and accounting provisions of the FCPA require the Company and every division, subsidiary, and joint venture to maintain reasonable detailed books and records, as well as a system of internal accounting controls, in order to reflect accurately all transactions and disposition of assets. These provisions apply to both domestic and foreign operations, and are meant to include domestic reporting and disclosure practices as well as those involved in foreign payments. Reasonable detail" means a "level of detail and degree of assurance that would satisfy prudent officials in the conduct of their own affairs."

Q. I have received information that one of our subcontractors located overseas may have paid a host nation government official a small amount of money to speed up the Business License process in order to complete our contract. Do we have to report this?

A. Absolutely. When in doubt – Report. But be sure to review with the corporate General Counsel first.

Each country in which the Company does business may have local laws governing gifts or payments to officials and others. The Company requires that its employees, joint venture partners, and any others acting on its behalf be aware of and obey all such laws as well as the United States FCPA.

Political Activities

The Company encourages employees, as individuals, to participate in the political process, and recognizes that the decision to participate is primarily a matter for individual concern. No employee shall represent that his or her personal contribution is that of the Company.

Any payment of corporate funds and / or use of company facility or service (of any type) to or for any political party, candidate or campaign may be made only if permitted under applicable law and approved in advance by the General Counsel.

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To the extent permitted by law, the Company may sponsor and pay the administration costs of political action or effective citizenship programs. Also, where our experience can be helpful, the Company may offer recommendations concerning legislation or regulations being considered. Further, the Company will analyze and take public positions on issues when our experience can add to the understanding of such issues.

Small Business Administration (SBA) Business Development Programs

The SBA administers two particular business assistance programs for small disadvantaged businesses (SDBs). These programs are the 8(a) Business Development Program and the Small Disadvantaged Business Certification Program. While the 8(a) Program offers a broad scope of assistance to socially and economically disadvantaged firms, SDB certification strictly pertains to benefits in federal procurement. 8(a) firms automatically qualify for SDB certification.

The intentional disregard of SBA established policies and procedures can have a disastrous affect on the future of the company. Employees engaged in the business development process, procurement or related business areas are responsible for becoming familiar with and complying with the established SBA and Federal Acquisition Regulations rules and processes.

Program participation is divided into two stages: the developmental stage and the transitional stage. The developmental stage is four years and the transitional stage is five years. The developmental stage is designed to help 8(a) certified firms overcome their economic disadvantage by providing business development assistance. The transitional stage is designed to help participants overcome the remaining elements of economic disadvantage and to prepare participants for leaving the 8(a) program.

Specific requirements can be found at 13 C.F.R Sections 121, 124 and 125. The intent of these programs (and the advantage gained through participation) is to promote technical and management development and experience. The intentional disregard for SBA established policies and procedures can have a disastrous affect on the future of the company. Employees engaged in the business development process, procurement or related business areas are responsible for becoming familiar with and complying with the established SBA and Federal Acquisition Regulations rules and processes. The company has a duty to investigate any and all reported violations, whether actual or suspected. In some cases, substantiated misconduct may lead to termination of employment and may possibly subject the violator to criminal or civil actions.

Government Contracts – Ethics, Code of Conduct and Compliance

Public Law 110-252, Title VI, Chapter 1:

Referred to as the “Close the Contractor Fraud Loophole Act” it requires that for a federal contract in an amount greater than \$5 Million and more than 120 days in duration (“*covered contract*”), the Federal Acquisition Regulation (FAR) must include provisions that require timely notification by Federal contractors of violations of Federal criminal law or overpayments in connection with the award or performance of covered contracts or subcontracts, including those performed outside the United States and those for commercial items.

FAR Case 2007-006, Contractor Business Ethics Compliance Program and Disclosure Requirements

Recently, as a result of requests by the Department of Justice and the legislation referenced above, the FAR has been amended or revised to enforce the following policy:

- Government contractors must conduct themselves with the highest degree of integrity and honesty.
- Contractors should have a written code of business ethics and conduct. To promote compliance with such code of business ethics and conduct, contractors should have an employee business ethics and compliance training program and an internal control system that—
 - Are suitable to the size of the company and extent of its involvement in Government contracting;
 - Facilitate timely discovery and disclosure of improper conduct in connection with Government contracts; and
 - Ensure corrective measures are promptly instituted and carried out.

As federal contractors, we are committed to supporting and enforcing these efforts. *Remember our core principles:*

**HONESTY AND INTEGRITY GOVERN OUR ACTIVITIES
COMMITMENTS MADE WILL BE FULFILLED
ALL INDIVIDUALS ARE TREATED WITH DIGNITY AND RESPECT**

The Provisions

Causes for Suspension or Debarment:

The FAR has been amended to add as a cause for suspension or debarment, instances in which a contractor knowingly fails to disclose, based on credible evidence, violations of federal criminal law relating to fraud, bribery, conflict of interest or gratuities; knowingly fails to disclose violations of the Civil false Claims Act or significant overpayments on a contract.

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Where disclosure is required, it must be made in a timely fashion to the agency Office of Inspector General (OIG) and the Contracting Officer (CO).

Code of Business Ethics and Conduct:

We are required to have a written code of conduct and make it available to any employee engaged in the performance of the contract. Qivliq companies have implemented this by providing a copy to all employees – regardless of contract association. Verification of an employee’s acknowledgement of the code of conduct is maintained by the human resources department.

The code must include provisions for the exercise due diligence to prevent and detect criminal conduct and otherwise promote an organizational culture that encourages ethical conduct and a commitment to compliance with the law. (FAR 52.203-13 (b) (1) and (2))

Required to Disclose:

As noted under Cause for Suspension and Debarment, we are required to timely disclose, in writing, to the agency Office of the Inspector General (OIG), with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder, the Contractor has credible evidence that a principal, employee, agent, or subcontractor of the Contractor has committed any of the cited violations. We are also required to fully cooperate with any follow on investigation / inquiry.

Nothing in this rule is intended to require that a contractor waive its attorney-client privilege, or that any officer, director, owner or employee of the contractor, including a sole proprietor, waive his or her attorney-client privilege or Fifth Amendment Rights. Further, the Government, to the extent permitted by law and regulation, will safeguard and treat information obtained pursuant to the Contractor’s disclosure as confidential where the information has been marked “confidential” or “proprietary” by the company.

Further, nothing in this rule prohibits a company from conducting an internal investigation into matters prior to reporting - so that a “knowing disclosure” can be made when necessary. (FAR 52.203-13 (b) (3))

Business ethics awareness and compliance program and internal control system:

Although the changes to the FAR provide additional requirements on government contractors, the FAR councils understood the impact on Small Business concerns. Small Business concerns are not required to have a formal internal control system as it was believed it would be cost and time prohibitive. This is also true when the contract is for the acquisition of commercial items as defined by FAR 2.101. (FAR 52-203-13 (c))

The councils believed that a Small Business concern should establish sufficient safeguards to meet the intent of the clause, commensurate with the size and capabilities of the company.

Hotline Posters:

Unless the contract is for the acquisition of a commercial item or the performance will be entirely outside of the United States, we are required to display Hotline Posters – as determined by the contracting agency. (FAR 52.203-14)

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List of Referenced Laws and Regulations

Americans with Disabilities Act of 1990

(<http://www.usdoj.gov/crt/ada/adahom1.htm>)

Anti-Boycott Laws and Regulations

(<http://www.bis.doc.gov/AntiboycottCompliance/oacrequirements.html>)

Anti-Kickback Laws

http://www4.law.cornell.edu/uscode/html/uscode41/usc_sec_41_00000052----000-.html

Anti-Trust Laws

(<http://www.usdoj.gov/atr/foia/divisionmanual/two.htm>)

Conflicts of Interest Laws and Regulations

(<http://www.usoge.gov/home.html>)

Close the Contractor Fraud Loophole Act

(<http://thomas.loc.gov/cgi-bin/query/F?c110:1:./temp/~c1109ys9N9:e191457>)

DOD Supplement to the FAR:

(<http://www.acq.osd.mil/dpap/dars/dfars/>)

Drug Free Workplace Act

(http://www.law.cornell.edu/uscode/uscode41/usc_sup_01_41_10_10.html)

Environmental Control Laws

(<http://www.epa.gov/epahome/laws.htm>)

Ethics Reference Material

(<http://www.usoge.gov/home.html>)

Export Control Laws

(<http://www.bis.doc.gov/>)

FAR Case 2007-006, Contractor Business Ethics Compliance Program and Disclosure Requirements

<http://edocket.access.gpo.gov/2008/E8-26953.htm>

Federal Acquisition Regulation (FAR)

(<http://www.arnet.gov/far/current/html/FARTOCP03.html#wp265938>)

Federal Sentencing Guidelines, Ch 8.

(http://www.ussc.gov/2005guid/8a1_1.htm)

Foreign Corrupt Practices Act

(<http://www.usdoj.gov/criminal/fraud/docs/statue.html>)

Securities Laws and Regulations

(<http://www.sec.gov/about/laws.shtml>)

Title VII of the Civil Rights Act of 1964

(<http://www.eeoc.gov/policy/vii.html>)

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