



**MORGAN-KELLER CONSTRUCTION**  
GENERAL CONTRACTORS • DESIGN BUILD • CONSTRUCTION MANAGEMENT

## **Morgan-Keller Construction, Inc. (“M-K”)**

### **CODE OF ETHICS & BUSINESS CONDUCT**

**Effective Date: 12/1/2016**

**Date of Most Recent Revision: 12/1/2016**

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## I. Values, Ethics and Culture

### A. Policy Scope

Our Code of Ethics & Business Conduct (“Ethics Policy”) applies to M-K and all of its organizational units, our officers, and team members, as well as subcontractors, contract or temporary employees or others, wherever they may be located, when acting on behalf of the Company. Further, our expectation is that suppliers, attorneys, consultants or others doing business with M-K will follow the same high standard of ethical behavior as outlined in our Ethics Policy.

### B. Values

We are committed to fulfilling the following stated Values.

1. Integrity acted out by honest and ethical behavior
2. Safety
3. Customer Satisfaction
4. Equitable, fair and participatory team member relationships
5. Operational efficiency and productivity

### C. Ethical Culture and Standards

M-K will conduct all of its business in compliance with applicable rules, regulations, laws and internal operating and corporate policies, procedures and practices, with honesty and integrity, and with a strong commitment to the highest standards of ethical behavior. Our intent is to consistently conduct business in ways that achieve both the letter and spirit of the law.

We will put into place, monitor and enforce policies and practices that are designed to protect team member safety, health and our environment. Our work environment will be open to providing team members with opportunities to express concerns or report violations of this Ethics Policy without fear of retaliation.

Achieving high ethical standards requires that we make and sustain deep commitments to:

- **Safety:** making our operations, facilities and job sites safe for team members, subcontractors, owners and others
- **Team Members:** we are committed to equitable and fair treatment of all team members, providing a healthy and safe workplace, while treating everyone with respect and dignity
- **Customers:** we are committed to providing on-time delivery of quality and reliable products and services, at an equitable and competitive price

- **Communities:** our commitment is to be a good neighbor and exhibiting respect, good citizenship and support
- **Company Owners:** we are committed to achieving sustainable profitability and growth, in support of their financial interests
- **Subcontractors and Suppliers:** we pledge fair competition and the sense of responsibility of being a good customer in our subcontractor and supplier relationships

## II. M-K Corporate Commitment

### A. Corporate Commitment

In order to insure proper oversight, measurement and reporting regarding the M-K Ethics Policy, the President & CEO has assigned responsibility for monitoring compliance and performance under the Code of Ethics & Business Conduct to the Vice President & CFO. Furthermore, and in conjunction with the oversight work relating to the Policy, the President & CEO has established an “Ethics Committee” as a source of Policy interpretation and a clearinghouse for inquiries around the elements of the Policy. The Ethics Committee will be comprised of the President & CEO, the Vice President & CFO and the Human Resources Administrator. Your supervisor can give you direction with regard to how you may directly or indirectly access this Committee for Policy clarification.

It is incumbent on every M-K team member, officer, manager or related party to report any violation or apparent violation of the Ethics Policy to a member of the Ethics Committee. Reporting from team members will be handled in a strictly confidential manner. No team member will suffer retaliation as a result of a report being made in good faith and anonymity will be provided if requested.

### B. Application of Code of Ethics

The Ethics Policy establishes the key guiding principles of ethical business conduct that the Company intends to follow and expects its team members, officers, managers and related parties to follow. However, the Policy does not address all laws, rules, regulations and Company policies that may present themselves or every circumstance within which ethical decisions need to be made. Therefore, please refer to related Company policies and procedures for additional information on areas of ethical behavior discussed in the Policy, as well as other matters not directly addressed in the Ethics Policy.

Please keep in mind that none of the provisions of the Policy are intended, nor will be interpreted to interfere with, restrain or prevent team member communications regarding wages, salaries or other conditions of employment.

### C. Fraud and Waivers of Policy

Fraud is both unethical and illegal. Some common examples of fraud include:

- Not accurately or timely reporting transactions
- Submitting false expense reports
- Improperly changing or falsifying Company records or financial statements
- Misappropriating Company assets or property

All fraud and other complaints relating to the financial matters of the Company will be evaluated by the President & CEO. Any waivers of the Ethics Policy for team members, officers or managers may only be made by the President & CEO.

### III. Legal Framework & Compliance Policies

#### A. Anti-Corruption and Anti-Bribery

No officer, team member or manager is permitted to make, or cause to be made, any improper payment, offer or inducement to any current or potential customer or to any intermediary as a bribe, kickback or similar payment that is directly or indirectly for the benefit of any individual (including government officials), company or organization which is designed, directly or indirectly, to secure favored treatment for the Company.

Under various laws and jurisdictions, it is a crime to make payments of this kind to government officials. Our Company will adhere to the spirit and letter of these laws. Any questions regarding the legal or ethical consideration of any payments must be discussed with the Ethics Committee so as to avoid any possible violation of this policy.

#### B. Anti-Trust Law Compliance

All team members must comply with the antitrust laws of the United States. It is particularly important that team members who regularly deal with customers or competitors be generally familiar with relevant antitrust law and Company policies relating to these laws. Antitrust laws prohibit activities that are considered “restraint of trade” that improperly reduce competition, such as agreements or understandings among competitors to fix or control prices, to boycott specified suppliers or customers, to allocate products, territories or markets or to limit the production or sale of products or product lines. Any instance where such discussions are initiated by another company should immediately be reported to the Ethics Committee.

#### C. Compliance and Enforcement

Failure to comply with the standards contained in this Ethics Policy may result in disciplinary action up to and including termination, referral for criminal prosecution and reimbursement to M-K for any losses or damages resulting from the violation. Any team member charged with a violation of the Policy will be afforded the opportunity to explain his or her actions and will be treated in accordance with Company Personnel Policies & Practices dealing with employee discipline.

Disciplinary actions may be taken against:

- Team members who authorize or participate directly in actions that are a violation of this Policy
- Team members who have deliberately failed to report a violation or deliberately withheld relevant information concerning a violation of this Policy
- A violator’s superiors, to the extent that the circumstances of the violation reflect inadequate supervision or a lack of due diligence

- Any supervisor or manager who retaliates, directly or indirectly, or encourages others to do so, against an team member who reports a violation of this Policy



## IV. Employment Focused Policies

### A. Conflicts of Interest

Team members, officers and managers have a duty to avoid business, financial or other relationships that may be opposed to the interests of M-K or may cause a conflict with the performance of their duties. Officers, team members and managers should conduct themselves in a manner that avoids any appearance of conflict between their personal interests and those of the business aspects of the Company. Activities and relationships of family members or other closely affiliated persons also can create conflicts of interest.

A potential conflict of interest circumstance may arise in many ways including, but not limited to, the following examples:

- Employment by a competitor, regardless of the nature of the employment
- Outside employment where it would represent a conflict of interest or where it would interfere with the duties and responsibilities of the employee's position at M-K
- Acceptance of gifts, payments or services from those doing business or seeking to do business with M-K
- Placement of business with a firm owned or controlled by an employee or his family, or failing to disclose that you are closely related to someone (such as a vendor, subcontractor, customer or family member) who is seeking a financial relationship with M-K
- Ownership of, or substantial interest in, a company which is a competitor, supplier, subcontractor or customer
- Acting as a consultant, employee, officer, manager, director or partner to an M-K competitor, customer or supplier
- Acting as a broker, finder, or intermediary for the benefit of a third party in a transaction involving M-K
- Using business or financial information you learn at the Company for your own personal gain, to benefit a family member, or another company for which you serve as an officer, director or in which you have an economic interest

Apparent conflicts of interest can easily arise, but not all potential conflicts are harmful or prohibited. Some conflicts of interest may be permissible if they are disclosed and approved. Any team member, officer or manager who feels that a potential conflict situation may exist, or has the potential to exist, should report all of the pertinent details of the situation to the Ethics Committee for assessment and resolution.

## B. Confidentiality

All team members, officers and managers of M-K should maintain the confidentiality of information entrusted to them by our Company, its business partners, suppliers, subcontractors, customers or others related to M-K business. Such information must not be disclosed to others, except when disclosure is authorized by M-K or legally required.

Confidential information includes all non-public business and financial information that might be of use to competitors or harmful to M-K, or its customers, if disclosed. As with all of the provisions of the Ethics Policy, this provision is not intended to interfere with, restrain, or prevent team member communications regarding wages, hours or other terms of or conditions of employment.

## C. Books and Records

It is our Company's policy to provide full, fair, accurate, timely and understandable disclosure in all business and financial documents required to be filed with parties who have rights to this information. All team members, officers and managers must act in a manner that support this policy, including that internal reports are accurate and complete, and that they are in compliance with M-K systems of internal controls and disclosure controls and practices.

Company policy establishes the following requirements with regard to recordkeeping and communications:

- M-K's financial statements and all books and records on which they are based must timely and accurately reflect all transactions of the Company
- All disbursements of funds and receipts must be properly and promptly recorded
- No undisclosed or unrecorded fund may be established for any purpose
- No known false or artificial statements or entries may be made for any purpose in the books and records of M-K or in any internal or external correspondence, memoranda, or communication of any type, including telephone or wire communications
- No team member, officer or manager will take any action to fraudulently influence, coerce, manipulate or mislead any independent auditor of M-K's financial statements for the purpose of rendering the financial statements materially misleading
- Misapplication or improper use of Company or customers' funds or property, or false entry to records by employees or others may result in disciplinary action, up to and including termination. Behavior of this type should be reported immediately to the President & CEO
- Records containing personal data and information about team members, officers and managers are confidential. They are to be carefully safeguarded and kept current and accurate. They should be disclosed only to authorized personnel and in accordance with Company policy and lawful process. Financial information can be made available outside of the Company only with proper authorization.

## D. Computer Use

The computer systems of M-K (including, but not limited to, desktop and laptop computer equipment; mobile, phone or personal devices; hard drives; printers; peripherals; software and operating systems; and network and/or Internet-related accounts providing electronic mail, access to the Internet, newsgroup access, and/or file-transfer capabilities) are the property of the Company and are to be used for the business purposes of the Company. The information in any computer-related file is Company property and must be treated and protected like any other form of Company property or record.

The computer or communications systems of M-K may not be used to commit any illegal act or to download, transmit or receive sexually explicit or other offensive material. In addition, team members are prohibited from providing confidential information about the Company, its customers, suppliers, subcontractors, officers, team members or managers to the public.

Access to social media sites, including, but not limited to, blogs, wikis, social networks, multi-media networks, social communities, forums, virtual worlds and other online spaces in which user-generated content is displayed or posted, such as Facebook, LinkedIn and Twitter (social media), that is utilized principally for business purposes, though also may be used for incidental personal communications, is permissible. Any access and use by team members of Company servers, networks and Internet connections to participate in social media is subject to related Company Personnel Policies.

## E. Corporate Opportunities

A “corporate opportunity” is defined as anything that may result in a personal business benefit. This could be a personal sales lead, a proposed partnership, an investment or any similar business or financial transaction.

While associated with M-K, team members, officers and managers may not not take personal financial advantage of opportunities learned about in the course of association with M-K. For example:

- If you learn about a corporate opportunity for M-K, you are expected to share the opportunity with the Company, rather than taking personal advantage of the opportunity on your own
- Using Company property, information or your position with M-K to benefit yourself, financially or in any other way, is to be avoided
- You are not permitted to start or get involved with a competitor of M-K while employed at the Company
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If a corporate opportunity of this type presents itself, you are expected to report the opportunity to the Ethics Committee for evaluation and resolution.

## F. Entertainment, Gifts and Payments

The sales of M-K products and services must always be free from the inference or perception that favorable treatment was sought, received or given on the basis of the furnishing or receipt of gifts, entertainment, favors, hospitality or other gratuities. For the purpose of this Policy, a “gift” is defined as anything of value, including food, beverages, tickets to cultural or sporting events, payment for trips and/or travel expenses and other similar exchanges. To be appropriate, a gift (whether given or received) must be in compliance with applicable laws and be (a) unsolicited (b) not cash or usable as cash (i.e., gift cards or gift certificates) and (c) no more than \$500 in face value in a calendar year to or from the same organization, unless approved by the Ethics Committee. You are prohibited from receiving gifts of travel or lodging unless you receive the prior approval of the Ethics Committee.

Also, purchase of supplies, materials, and services from vendors, suppliers, and subcontractors must be accomplished in a manner that preserves the integrity of a procurement process based on quality, performance and ethical and fair relationships with these business partners. In particular, and in light of the critically important nature of our relationships with subcontractors, we are committed to the following practices with our subcontractor partners:

- All subcontractors will be expected to meet our established “qualification standards” for financial conditions, safety and performance
- Subcontractor bids will be fairly and competitively evaluated on price, scope, prior performance with M-K and any other relevant factors
- Practices commonly known in the industry as “hard buy” or “price shopping” with subcontractors or suppliers are strictly prohibited
- All subcontractor relationships for work secured will be documented in a properly executed “Subcontract Agreement”
- Once a Subcontract Agreement has been executed, during the course of fulfilling the contract or at contract closing, all financial transactions with the subcontractor will be accomplished in full compliance with the Subcontract Agreement and void of any practices that may be construed as unethical or unfair with regard to our business conduct and relationships with these critically important business partners

Recorded and reported information relating to these transactions must be accurate and disclose all pertinent information in a way that is not misleading. M-K specifically prohibits criminal acts regarding offering, giving, soliciting or receiving any form of bribe or kickback.

## 1. Guidelines for relations with Non-Government Personnel

- Furnishing meals, refreshments and entertainment in conjunction with business meetings and discussions with non-government personnel is a commonly accepted practice and is permitted, as long as it is in accord with Company policies relating to these types of public relations activities.
- No team member, officer or manager will directly or indirectly accept or offer payments, gifts, entertainment or other gratuities (regardless of size or amount) that would have the effect or appearance of influencing the judgment of the recipient in the performance of his or her duties. Gifts of cash are prohibited. It is not inappropriate under this policy to be the recipient of, or to offer, common courtesies; sales promotional items of small value; occasional meals; reasonable entertainment, recreation or tickets; or other items appropriate to a business relationship, so long as it is appropriate as to time and place, can withstand public scrutiny, does not influence or give the appearance of influencing the business judgment of the recipient, is within the bounds of moderation and common sense, and is either inexpensive or approved by the Ethics Committee.
- Team members who make, and managers and supervisors who approve, expenditures for meals, refreshments, or entertainment must use discretion and care to ensure that such expenditures are in the proper course of business and could not be reasonably construed as bribes or improper inducements.

## 2. Guidelines for relations with Government Employees

Federal, state and local government departments and agencies are governed by laws and regulations concerning acceptance by their employees of entertainment, meals, gifts, gratuities and other things of value from firms and persons with whom those departments and agencies do business or over whom they have regulatory authority.

It is the general policy of M-K to prohibit its team members from giving or offering to give any of these items to government employees. There are, however, permissible exceptions within these laws and regulations such as distributing token business mementos and providing nominal refreshments during the conduct of business discussions. Since these exceptions are narrow in scope, questions concerning them should be directed to the Ethics Committee.

## G. Ethical Decision Making

We are all responsible for upholding the values and ethics of our Company. Violations of our Code of Ethics & Business Conduct Policy may be obvious or, at times, you may not be sure if a violation has or is about to occur. In all cases, you have resources at your disposal to help you either make the right decision or to report a concern. Your supervisor or manager is a good starting point and additional information and guidance can be accessed from the Vice President & CFO or other members of the Ethics Committee. Retaliation against an individual who in good faith raises a concern or participates in an investigation will not be tolerated. If you feel you have been retaliated against, contact a member of the Ethics Committee.

## H. Inside Information

As a matter of the course of company operations, team members, officers or managers know important information affecting the Company. In such cases, the information must be held in strict confidence by team members, officers and managers, which includes not communicating it to family members, friends or other employees or individuals who have no right to know.

## I. Preservation of Corporate Assets

Each team member, officer and manager is personally accountable for M-K funds or assets over which he or she has control. All team members are charged with the duty to preserve any of the Company's assets, its property, physical plants and equipment and equipment that have been provided by customers, subcontractors and suppliers.

The Company's assets must be protected and all team members, officers and managers should ensure their efficient use and that they are used for legitimate business purposes. The profitability and sustainability of the Company are directly impacted by waste, theft or carelessness. Anyone spending Company money, or their own personal funds that will be reimbursed, should always make certain that good value is received in return. Those who have the authority to approve or certify the correctness of a voucher or bill must have reasonable knowledge that the purchases and amounts are proper. Those responsible for handling Company assets (e.g., cash, property and equipment, checks, Company credit cards, etc.), as well as associated records and materials, are accountable for their safekeeping.

## J. Workplace Respect and Non-Discrimination

M-K is committed to providing a professional work environment for our team members that is free of all types of harassment, including physical, sexual, psychological and verbal, and will not tolerate any type of workplace harassment. Further, the Company will not tolerate discrimination on the basis of race, color, religion, sex, age natural origin, citizenship status, disability, sexual orientation, veteran status or any other protected class under applicable law.

## K. Sales of Products and Services

M-K is dedicated to developing, producing and delivering products and services of the highest quality. Our customers have the right to expect that our products and services are offered at a fair price. This can be accomplished only by a continuing dedication to fair and equitable business dealings and a strict adherence to contractual obligations.

All costs must be properly recorded and charged to the appropriate account, regardless of the status of the budget for that account. The falsification of time cards or other cost records are strictly forbidden. Supervisors and managers at M-K are personally responsible for assuring that the time records of team members are recorded promptly and accurately, according to Company policy and procedure. It is prohibited for any team member to submit or to concur in the

submission of any claims, bids, proposals or any other documents of any kind that are false, fictitious or fraudulent. Actions such as these are criminal violations and could result in criminal prosecution of any team member involved.

#### L. Duty to Report

Each M-K team member, officer or manager is responsible for bringing to the Company's attention any circumstances which he or she believes may constitute a violation of applicable law, regulations, Company policy or this Ethics Policy. Failure to act in this regard may be interpreted as serious as the violation itself. It is imperative that we are aware of matters that put the Company at risk before they become problems which may require more aggressive action.

We have established means through which the open, confidential, or anonymous submission by team members, officers, managers or other persons of information about possible violations of law, regulations, Company policy or the Ethics Policy, including:

- Contacting your supervisor or manager
- Contacting any member of the Ethics Committee

The Company will make every effort to maintain confidentiality for anyone reporting an incident, and will not allow retaliation for reports made in good faith.

## V. Externally Focused Policies

### A. Political Contributions

M-K encourages its team members to be involved and participate in civil and political activities, and acknowledges and respects the right of team members to support any candidate or political party through personal contributions. However, this involvement must be on an individual team member basis, on their own time and at their own expense. The Company is a member of, and encourages employees to participate in, national and state trade associations in order to shape industry policies, monitor and inform current legislation and trends build skills and support civic participation.

No M-K funds or assets, including the work time of any employee, may be contributed or loaned, or made available to any political activity, campaign or candidate other than through a Company-approved activity.

### B. Safety, Health and Environmental Regulations

One of the key values to which we are wholeheartedly committed is providing a safe and healthy work place for all M-K team members and visitors to our premises and sites. This is a responsibility that we all share and will only be fulfilled by following and abiding by safe operating procedures and rigorously adhering to Company safety procedures, practices and policies, avoiding shortcuts and guarding our own safety and the safety of our team members.

It is our policy to continually improve compliance with environmental laws and regulations affecting safety, health and environmental protection, and to attempt to develop cooperative attitudes with agencies whose responsibility it is to inspect and enforce compliance. To that end, team members are encouraged to report to their supervisors and managers conditions that may be unsafe, unhealthy or hazardous to the environment.

### C. Social Media and Third Party Inquiries

Unless your position authorizes you to do so, you are not permitted to speak on behalf of M-K, either expressly or implied, when making statements to third parties or on social media or in other forums. Inquiries from third parties should immediately be referred to the President & CEO or the Ethics Committee. If you post information in public forums, such as social networking sites, blogs or chat rooms, you are prohibited from sharing confidential, private or proprietary information about M-K.



## APPENDIX

### **Policy on Code of Ethics & Business Conduct (“Ethics Policy”) Certification of Compliance**

Certification of Compliance with the Code of Ethics & Business Conduct will be accomplished as follows:

1. Communication of the Ethics Policy for new team members and documented Certification of receipt of the Policy and compliance commitment will take place at orientation and be delivered by the Department of Human Resources staff.
2. Recertification and documentation of compliance with the Policy for current team members will be accomplished at the time the Ethics Policy is approved.
3. Consultants, agents, contract and temporary employees, suppliers and subcontractors will receive a copy of the Ethics Policy and document Certification of receipt of the Policy and their compliance commitment at the time a contract is executed. It will be the responsibility of the officer executing the contract on behalf of the Company to insure that these communications and certification tasks are achieved.