



## OSBORNE CONSTRUCTION COMPANY

---

### Code of Business Ethics and Conduct

#### I. INTRODUCTION

##### A. Why Have a Corporate Ethics Program?

The reputation of Osborne for integrity and fair dealing is one of our most important and valuable assets. No amount of money or salesmanship can purchase or repair this asset. Only unswerving integrity and fair dealing as well as conformance to and compliance with Osborne's Code of Business Ethics and Conduct (Code) which is set forth herein. Each Osborne employee in his/her dealings with others is expected to act so as to preserve and strengthen this asset. Osborne serves the national interest by performing various construction contracts, many of which are done for the federal Government as well as state local Governments.<sup>1</sup>

Because Osborne works on both private and public contracts, the ethical principles in these Guidelines are to be followed in all of its work. Americans expect that Government officials and the contractors performing Government contract work will adhere to very high standards of ethical conduct. Osborne shares that belief. Osborne management and the public expect our conduct, both as a corporation and as individuals, to be honest and above reproach. **Maintaining these standards for all of our work** enhances the Company's reputation and benefits us by establishing Osborne as a responsible and trustworthy contractor.

Osborne unequivocally expects you, as well as all of its officers, employees and representatives, to conform to the ethical standards we have followed since our inception and the Standards of Conduct set forth below. As a representative of Osborne, you must ensure that your actions reflect our commitment to honesty and fair dealing. Your conduct must be open, above board and able to withstand critical external evaluation at all times. This does not mean that Osborne's bidding or performance of private or Government work should in any way be unduly inhibited by these requirements. Osborne intends to vigorously pursue all legitimate business opportunities, but only within the parameters of ethical conduct generally and the Standards of Conduct herein specifically. It is in our best interest to conform to these ethical standards. These standards shall never be sacrificed for mere profit or expediency.

##### B. What Is the Potential Downside for You and Osborne?

Violations of the ethical standards could result in severe financial penalties for Osborne as well as fines or imprisonment for individual employees. To address violations of the standards of conduct, the federal Government has various remedies at its disposal including:

1. **CRIMINAL REMEDIES:** Indictment and possible conviction of Osborne and/or its individual employees resulting in imprisonment and fines;
2. **CIVIL REMEDIES:** Penalties and damage awards or forfeiture of any and all claims against the Government;
3. **ADMINISTRATIVE REMEDIES:** Suspension or debarment of Osborne to prevent the award of additional contracts either as a contractor or subcontractor;
4. **CONTRACT REMEDIES:** Termination for default and/or the loss of the right to be paid for satisfactorily completed work; and
5. **EMPLOYMENT REMEDIES:** Dismissal of employees and supervisors engaged in fraud to assure the Government that a repeat violation is unlikely.

---

<sup>1</sup> When the word *Government* is used in these Guidelines, it includes state and local Governments, as well as the federal Government.

## II. STANDARDS OF CONDUCT

### A. Overview

Every Osborne employee is required to comply with these Standards of Conduct as well as the ethical standards which have always governed Osborne's business. Reading and understanding Osborne's Standards of Conduct is essential to the proper performance of your job responsibilities.

If you believe a violation of the Standards of Conduct or other laws or regulations has occurred, contact the Osborne Compliance Officer (who can be contacted at 888-270-8221) and/or use the Osborne Confidential Hotline at 866-888-6212. Reports will be received and held in the strictest confidence, if that is your desire. All reports will be promptly addressed in accordance with Osborne's current investigations policy as adopted by the Board of Directors. Failing to report a violation of these Standards of Conduct or any other apparent breach of ethical conduct is a serious matter that may result in disciplinary action, including discharge, against an employee who fails to report such violation or breach.

Every potential ethical problem cannot be addressed in writing nor is it the intent of this Code of Ethical Conduct to be all encompassing. Osborne expects you to use common sense and honesty in handling situations not specifically addressed by this Code. If you are unsure about the propriety of any action in a situation involving Osborne, or third parties, discuss the matter, in advance, with your supervisor or the Osborne Compliance Officer (who can be contacted at 888-270-8221) and/or use the Osborne Confidential Hotline at 866-888-6212.

Failure to comply with these Standards of Conduct could form the basis of a civil or criminal violation, termination of a contract for default, or suspension and debarment. On projects Osborne performs for the federal Government, this compliance takes the form of written certifications which are required for such items as certified payroll reports, quality control system reports, cost proposals, and the like. Please also remember that state and local Governments often have many similar requirements. In addition, private owners can and do consider Osborne's compliance with these requirements and the highest ethical standards when selecting a contractor for their work.

### B. Fundamental Principles

There are a myriad of ethical laws and regulations governing contractors working for Government. Depending upon your duties and responsibilities, Osborne will provide detailed guidelines on specific subject matters in addition to its separate and detailed policies concerning: (1) Contacts with Government Officials; (2) Contacts with Non Governmental Parties; and (3) Senior Management Policy. However, certain fundamental principles apply to all of us. We believe that these fundamentals can be summarized in the following basic tenets of conduct:

1. Just Do What's Right
2. Treat Others As You Would Want To Be Treated

If you have a question about a proposed action or if you witness conduct that causes you concern, feel free to contact your immediate supervisor; the Osborne Compliance Officer, call the Osborne Hotline at 866-888-6212 and or send an email to [ethics@osborne.cc](mailto:ethics@osborne.cc).

### C. The Standards of Conduct

From the fundamental principles, we draw ten standards of conduct most applicable to the Company's operations.

1. **QUALITY OF WORK:** Our clients expect and are entitled to receive work that fully complies with the contract plans and specifications. There is no place for substandard work and no tolerance of efforts to pass substandard work off as acceptable.
2. **FAIR DEALING:** In pricing and negotiating new work or changes, our customers expect fair dealing and factual honesty from Osborne. Federal laws and regulations calling for

full disclosures and certification of the accuracy of factual data basically exist to implement and achieve this goal. Seeking a fair price should not be confused with misrepresenting the facts.

3. **EFFORTS TO INFLUENCE OTHERS:** There is nothing improper with efforts to work vigorously for Osborne's rights. However, efforts to improperly gain an advantage by giving or soliciting gratuities, bribes, kickbacks or other things of value are not acceptable. Osborne will not condone any conduct that violates this principle.
4. **CONFLICTS OF INTEREST:** People change jobs. That is normal. However, discussions with current or former federal Government or other public employees are subject to very strict rules. Do not engage in these discussions. If asked about employment opportunities with Osborne, refer the person to Osborne's Vice President for Alaska Operations or its Executive Vice President.
5. **OPEN & FAIR COMPETITION:** Do not engage in discussions with Government employees about specific projects unless your job involves business development. Regardless of your job description, do not seek to obtain confidential Government source selection data or another firm's proprietary or confidential data.
6. **DOCUMENTATION:** Preparation or use of false or fraudulent documents is a crime. There is no place for this conduct within Osborne. Whether it is a daily report, a document reflecting the place of manufacture of a product, or a person's identification and right to work in this country, do not participate in an effort to misrepresent the true facts.
7. **POLITICAL AND FUND RAISING ACTIVITIES:** Osborne encourages every citizen to consider the issues and to vote. However, such activities as campaigning or seeking financial support for particular candidates or parties on Osborne's project sites are subject to Osborne's Solicitation Policy.
8. **DISCRIMINATION AND HARASSMENT:** Osborne is committed to providing equal opportunity to all qualified workers. Just as you would not appreciate discrimination or harassment due to your race, color, creed, sex, etc., do not engage in such activities.
9. **WORKPLACE OPERATIONS:** Osborne expects you to work safely and conducts an ongoing safety program. Help us by not engaging in horseplay or *working* while under *the influence of alcohol or drugs of any type*. Alcohol and illegal drugs have no place in your place of work. Use tools and equipment properly and only for work for the company's projects unless you own that piece of equipment/tool.
10. **PROTECTING THE ENVIRONMENT:** Construction is subject to detailed laws and regulations which are intended to protect the environment. It is Osborne's policy to comply with them in performing its work. When performing your work, understand and follow the procedures to avoid the misuse of hazardous materials or the contamination of the land, air, or water.

#### **D. When In Doubt, Ask**

As noted above, the specific rules related to the expected standards of conduct can be complicated and not every potential situation involving ethical issues can be addressed in this Code or otherwise in writing. Therefore, if you are not sure of the correct course of conduct, ask your supervisor or Osborne's Compliance Officer or call the Osborne Hotline at 888-866-6212 and request guidance. Keep asking until you are no longer unsure of what is right. If someone suggests "Everyone does it," or "Just this once," that should be a signal to ask the question or use Osborne's Ethics Hotline.

When in doubt, ask yourself the following:

- Am I being fair and honest?
- Would I want this done to me or a member of my family?
- How would I explain this to my child?
- How would I like to see my name in the local newspaper in connection with this action?
- Is there a knot in my stomach when I think about this action?

**BOTTOM LINE:** If the answer to any of the above questions is "No," or "I'm not sure," seek guidance; ask the question before acting. You will not be criticized for asking. **Silence is NOT Golden!!**

#### **E. Prohibited Activities**

In any organization there must be certain rules and standards of behavior governing the activities and conduct of those involved in its operation. Offenses under these rules may result in suspension or dismissal. The following are examples of some, but not all, prohibited activities:

1. Intentionally falsifying timecards, attendance cards, expense reports, personnel records, or other company records.
2. Repeated unexcused absences or excessive absenteeism or tardiness.
3. Reporting for work under the influence of alcohol, dangerous or illegal drugs, or using such substances on company premises or while on company business.
4. Committing, or attempting to commit, deliberate damage to company or owner's property, or advocating or taking part in unlawful seizure or theft, or trespassing on company or owner's property.
5. Conclusive evidence of dishonesty, involvement in a misdemeanor or felony, or any act indicating low moral standards.
6. Solicitation activities which are not in accordance with Osborne's Solicitation Policy
7. Obtaining employment on the basis of false or misleading information.
8. Affiliation with any organization whose activities are judged subversive by the U.S. Government.
9. Soliciting or accepting gifts in connection with company transactions of any kind.
10. Disregard of or failure to observe established company rules and regulations.
11. Disorderly conduct, horseplay, loitering, or fighting on company premises or while on company business.
12. Sexual harassment and other forms of harassment.
13. Gambling on company premises or while conducting company business.
14. Insubordination or refusing to perform assigned duties.
15. Possession of weapons or firearms on Owner's property where prohibited by law.
16. Failure to leave the company's or owner's property upon the request of an authorized representative.

Osborne seeks to place as few restrictions on your personal conduct as possible. However, the Company believes that each employee is obligated to maintain acceptable standards of conduct. This list is not intended to be all-inclusive. Engaging in other such practices that are inconsistent with common sense and this Code of Business Ethics and Conduct may result in disciplinary action, including discharge.



George Osborne, Jr.  
President

Effective Date: July 1, 2009