

# ARGON ST

## CODE OF ETHICS

### Introduction

At Argon ST we hold two key beliefs:

(1) “Uncompromising Integrity” which means staying true to what we believe. We adhere to honesty, fairness and “doing the right thing” without compromise, even when circumstances make it difficult.

(2) “Constant Respect for People” which means we treat others with dignity, as we would like to be treated ourselves. Constant respect applies to every individual we interact with as part of our business.

Each of us is expected to demonstrate these key beliefs in our work at Argon ST.

### Purpose of the Code of Ethics

This Code of Ethics is a guide to help those who work at Argon ST to live up to the Company’s high ethical standards. This Code is neither a contract nor a comprehensive manual that covers every situation that we may encounter while working at Argon ST. Instead, it is a guide that highlights key issues and identifies policies and resources to help you reach decisions that will make all of us proud that we work at Argon ST.

### Responsibility and Accountability

Each of us has the personal responsibility to make sure that our actions abide by this Code of Ethics and the laws that apply to our work. If you have any questions or concerns about illegal or unethical acts, you should contact [an executive officer or outside counsel or follow the “whistleblower procedures”]. Keep in mind that failure to abide by this Code and the law will lead to disciplinary measures appropriate to the violation, up to and including dismissal.

### Additional Responsibilities of Managers

Argon ST managers are expected to lead according to our standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way communications. Managers must be positive activists and role models who show respect and consideration for each of our employees. Managers must be diligent in looking for indications that unethical or illegal conduct has occurred. If you ever have a concern about unethical or illegal activities, you are expected to take appropriate and consistent actions, and inform [an executive officer, outside counsel or follow the “whistleblower procedures”].

## **Our Responsibilities To Each Other**

### Respect For the Individual

We will treat each other with respect and fairness at all times, just as we wish to be treated ourselves. Employment decisions will be based on business reasons, such as qualifications, talents and achievements and will comply with local and national employment laws.

### Harassment

Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. We are encouraged to speak out when a coworker's conduct makes us uncomfortable and to report harassment when it occurs.

### Safety and Health

We are all responsible for maintaining a safe workplace by following all safety and health rules and practices. We are responsible for immediately reporting accidents, injuries and unsafe equipment, practices or conditions to a supervisor or other designated person. Argon ST is committed to keep its workplaces free from hazards.

In order to protect the safety of all employees, each of us must report to work free from the influence of any substance that could prevent us from conducting work activities safely and effectively.

Threats or acts of violence or physical intimidation are prohibited.

## **Our Responsibilities To Customers**

### Product Quality and Safety

To maintain Argon ST's valuable reputation, compliance with our quality processes and safety requirements is essential. We damage our good name when we ship products or deliver services that fail to live up to Argon ST's standards.

### Sales and Marketing

We will build long term relationships with our customers by demonstrating honesty and integrity. All of our marketing and advertising will be accurate and truthful. Deliberately misleading messages, omissions of important facts or false claims about our competitors' products are never acceptable.

We will only obtain business legally and ethically. Bribes or kickbacks are not acceptable. Guidance concerning customer gifts, travel and entertainment is in the Conflict of Interests section of this Code.

### Customer Information

We must protect customer information that is sensitive, private or confidential just as carefully as our own. Only those who have a need to know should have access to confidential information.

### Governments

We must take special care to comply with all legal and contractual obligations in dealing with governments. National governments all around the world have specific and varied procurement laws and regulations that have been established to protect the public interest. These laws generally prohibit, or put strict limits on, gifts, entertainment and travel offered to government officials. They also often apply to the hiring of current or recently retired officials and their families and to any conduct that may be viewed as improperly influencing objective decision making. Many other laws strictly govern accounting and billing practices applied to the fulfillment of government contracts and subcontracts.

When Argon ST uses suppliers or subcontractors to fulfill its commitments, we may also be responsible for communicating these government requirements to them. Those of us who deal with government officials and contracts are responsible for knowing and complying with applicable laws and regulations.

### Purchasing Practices

Purchasing decisions must be made based solely on Argon ST's best interests. Suppliers win Argon ST's business based on product or service suitability, price, delivery and quality. Purchasing agreements should be documented and clearly identify the services or products to be provided, the basis for earning payment and the applicable fee or rate. The amount of payment must be commensurate with the services or products provided.

## **Our Responsibilities To Our Shareholders**

### Protecting Argon ST's Assets

We have a responsibility to protect the Argon ST assets entrusted to us from loss, damage, misuse or theft. Argon ST assets, such as funds, products or computers may only be used for business purposes and other purposes approved by management. Argon ST assets may never be used for illegal purposes.

## Proprietary Information

We will safeguard all proprietary information by marking information accordingly, keeping it secure and limiting access to those who have a need to know in order to do their jobs. Proprietary information includes any information that is not generally known to the public and is helpful to Argon ST or would be helpful to competitors. It includes information that suppliers and customers have entrusted to us. The obligation to preserve proprietary information continues even after employment with Argon ST ends.

## Inside Information and Securities Trading

We are not allowed to trade in securities or any other kind of property based on knowledge that comes from our jobs, if that information hasn't been reported publicly. It is against the laws of the United States to trade or "tip" others who might make an investment decision based on information learned on the job. For example, using non-public information to buy or sell Argon ST stock, options in Argon ST stock or the stock of a Argon ST customer or supplier is prohibited.

## Accuracy of Company Records

We require honest and accurate records and reporting of information in order to make responsible business decisions. This includes such data as quality, safety and personnel records, as well as financial records.

All financial books, records and accounts must accurately reflect transactions and events and conform both to required accounting principles and to Argon ST's system of internal controls. No false or artificial entries may be made. When a payment is made, it can only be used for the purpose spelled out on the supporting document.

## Recording and Retaining Business Communications

All business records and communications should be clear, truthful and accurate. Business records and communications often become public through litigation, government investigations and the media. We will avoid exaggeration, colorful language, guesswork, legal conclusions or derogatory remarks or characterizations of people and companies. This applies to communications of all kinds, including e-mail and "informal" notes and memos. Records should always be retain and destroyed according to Argon ST's record retention policy.

## **Our Responsibilities To Our Competitors**

### Competitive Information

We must never use any illegal or unethical methods to gather competitive information. Stealing proprietary information, possessing trade secret information that

was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited.

If information is obtained by mistake that may constitute a trade secret or confidential information of another business, or if we have questions about the legality of information gathering, we should consult with senior management.

### Fair Competition

Argon ST and all its employees are required to comply with the unfair competition laws of each country in which we do business. These laws are complex and vary considerably from country to country. If we question whether an actions may violate unfair competition laws, we should discuss it with senior management.

## **Our Responsibility To Our Communities**

### Environmental

We will respect the environment by complying with all applicable environmental laws in all countries in which we conduct operations. Argon ST is committed to the protection of the environment by minimizing the environmental impact of our operations and operating our businesses in ways that will foster a sustainable use of the world's natural resources. Notify management if hazardous materials come into contact with the environment or are improperly handled or discarded.

### Communicating to External Audiences

To ensure professional and consistent handling, requests from the media should be forwarded to our Public Relations Office. Unfortunately, many well-intentioned interviewees have had their version of stories misinterpreted by reporters. Let the experts handle such situations.

Argon ST employees are expected to cooperate with reasonable requests for information from government agencies and regulators, but we should consult with senior management or legal counsel if one is involved before responding to any non-routine requests. All information provided must be truthful and accurate. We will not alter or destroy documents or records in response to an investigation or other lawful request.

Requests for information from financial analysts and shareholders should be forwarded to the Chief Financial Officer.

## **Our Responsibilities to Governments**

### Compliance with the Law

Argon ST employees are required to comply with all applicable laws and regulations wherever we do business. Perceived pressures from supervisors or demands due to business conditions are not excuses for violating the law. When we have any questions or concerns about the legality of an action, we are responsible for checking with management.

### Argon ST Political Activities

No Argon ST employee may, except with approval from the Chief Financial Officer, make any political contribution for Argon ST or use Argon ST's name, funds, property, equipment or services for the support of political parties, initiatives, committees or candidates. This includes any contribution of value. Additionally, lobbying activities or government contacts on behalf of Argon ST, other than sales activities, should be coordinated with the Chief Financial Officer.

### Anti-Corruption Laws

Argon ST will comply with the anti-corruption laws of the countries in which it does business, including the U.S. Foreign Corrupt Practices Act, which applies to all its foreign business. Argon ST employees will not directly or indirectly offer or make a corrupt payment to government officials, including employees of state-owned enterprises. These requirements apply both to Argon ST employees and agents, such as third party sales representatives, no matter where they are doing business. If you are authorized to engage agents, make sure they are reputable and require them to agree in writing to Argon ST's standards in this area.

### Crossing National Borders

When importing or exporting products, services, information or technology, Argon ST will comply with applicable U.S. and other national laws, regulations and restrictions. In addition, when we travel internationally on company business we are subject to laws governing what we import and export. Argon ST employees are responsible for knowing the laws that pertain to them and for checking with senior management when in doubt.

## **Conflicts Of Interest**

### General Guidance

Business decisions and actions must be based on the best interests of Argon ST, and must not be motivated by personal considerations or relationships. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators

must not affect our independent and sound judgment on behalf of Argon ST. General guidelines to help Argon ST employees better understand several of the most common examples of situations that may cause a conflict of interest are listed below. However, we are required to disclose to senior management any situation that may be, or appear to be, a conflict of interest. When in doubt, it is best to disclose.

### Outside Employment

Argon ST employees may not work for or receive payments for services from any competitor, customer, distributor or supplier of Argon ST's without approval of the Chief Financial Officer. Any outside activity must be strictly separated from our employment with Argon ST and should not harm our job performance at Argon ST. We must make sure that the skills we learn and use at Argon ST are not used in such a way that they could hurt the business of Argon ST.

### Board Memberships

Serving on the board of directors or similar body of an outside company or government agency requires the advance approval of the Chief Financial Officer. Helping the community by serving on boards of directors of non-profit or community organizations is encouraged, and does not require prior approval.

### Family Members and Close Personal Relationships

We may not use personal influence to get Argon ST to do business with a company in which our family members or friends have an interest.

### Investments

Argon ST employees may not allow their investments to influence, or appear to influence, their independent judgment on behalf of Argon ST. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Argon ST employee has an investment in a competitor, supplier, customer or distributor and his or her decisions may have a business impact on this outside party. If there is any doubt about how an investment might be perceived, it should be disclosed to the Chief Financial Officer.

We are also prohibited from directly or indirectly buying or otherwise acquiring rights to any property or materials, when we know that Argon ST may be interested in pursuing such an opportunity and the information is not public.

### Gifts

Gifts are not always physical objects – they might also be services, favors or other items of value.

### **Gifts to Argon ST Employees**

Argon ST employees don't accept kickbacks, lavish gifts or gratuities. We can accept items of nominal value, such as small promotional items bearing another company's name. We will not accept anything that might make it appear that our judgment for Argon ST would be compromised.

### **Gifts Given by Argon ST Employees**

Some business situations call for giving gifts. Argon ST's gifts must be legal, reasonable and approved by senior management. Argon ST employee must never pay bribes. We will not provide any gift if it is prohibited by law or the policy of the recipient's organization. For example, the employees of many governmental entities both in the U.S. and abroad are prohibited from accepting gifts.

### **Entertainment**

We consider "entertainment" to include a representative of both parties at the event.

#### **Entertainment of Argon ST Employees**

We may accept entertainment that is reasonable in the context of business and that advances Argon ST's interests. For example, accompanying a business associate to a local cultural or sporting event or to a business meal would, in most case, be acceptable.

Entertainment that is lavish or frequent may appear to influence one's independent judgment on behalf of Argon ST. If an invitation seems inappropriate, we must turn down the offer or pay the true value of the entertainment ourselves. Accepting entertainment that may appear inappropriate should be discussed with the Chief Financial Officer, in advance if at all possible.

#### **Entertainment by Argon ST**

We may provide entertainment that is reasonable in the context of the business. If we have a concern about whether providing entertainment is appropriate, we will discuss it with senior management in advance.

Entertainment of government officials is often prohibited by law. Get approval from senior management in each case.

### **Travel**

#### Acceptance of Travel Expenses

Argon ST employees may accept transportation and lodging provided by a Argon ST supplier or third party, if the trip is for business and is approved in advance by the employee's supervisor. All travel accepted must be accurately recorded in our travel expense records.

## Providing Travel

Unless prohibited by law or the policy of the recipient's organization, Argon ST may pay the transportation and lodging expenses incurred by customers, agents or suppliers in connection with a visit to a Argon ST facility or product installation. The visit must be for a business purpose, for example, an on-site examination of equipment, contract negotiations or training.

All travel by government officials that is sponsored or paid for by Argon ST must be approved in advance by the Chief Financial Officer.

## **Exceptions**

Only the Chief Financial Officer is authorized to grant exceptions to this Code of Ethics, except that if the exemption will apply to an executive officer, it must be granted by the Board of Directors.

In addition, executive officers who have questions about this Code of Ethics should direct those questions to outside counsel or the Board of Directors.