



**To our Partners, Clients, and Colleagues:**

DGC International's continued success is founded on the highest standard of integrity and providing an environment where people are proud to work. We are honored to contribute so much to our communities, our industries, our clients, our suppliers, and our co-workers – all while maintaining our commitment to integrity and freedom around the world.

*The Standard*, our Code of Ethics and Business Conduct, provides you with DGC International's standards of business conduct and applies to everyone at DGC International, regardless of position or level of responsibility, as well as to all of our subcontractors who act on our behalf out in the field. Our Code spells out our ethos and the values we live by.

Since no resource or handbook can cover every situation, DGC International also promotes the importance of speaking up when faced with an ethical dilemma, and seeking a resolution.

Additionally, when the answer still may not be obvious, there are various resources to provide guidance on the right way to do business. If you observe misconduct or need to ask a question, talk to your manager, the human resources department, legal, security, or our ethics office.

DGC International has a special responsibility to model responsible behavior and to demonstrate to our sub contractors and others the importance of upholding standards of conduct. We will be careful to create a work environment that does not place undue pressure on subordinates.

I urge you to become as familiar with *The Standard* as I have. Your commitment to our Code of Ethics and Business Conduct will ensure that DGC International continues to maintain its reputation as a company of integrity, a first-rate workforce, and a provider of advanced products and services.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mustafa Zamani', with a long horizontal flourish extending to the right.

Mustafa Zamani  
President  
DGC International

## **DGC INTERNATIONAL**

# **GOVERNMENT CONTRACTING ETHICS and CTIP MANUAL**

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**EFFECTIVE DATE: June 1, 2010; REV 2: January 30, 2015**

**TITLE: GOVERNMENT CONTRACTING ETHICS MANUAL**

## **I. PURPOSE**

The purpose of this document is to set forth the policies and procedures of DGC International Corporation dba DGC International (“DGC International”) together with its direct and indirect subsidiaries and business units, with respect to the pursuit, negotiation and administration of contracts with the United States Federal Government, state governments, local governments, and the prime contractors and subcontractors thereof.

## **II. SCOPE**

The provisions of this manual are applicable to DGC International, including its subsidiaries and all business units, with respect to all corporate activities that are involved with the pursuit, negotiation, implementation, and administration of contracts with, and sales to, the U.S. Federal Government, state governments, local governments, and the prime contractors and subcontractors thereof.

## **III. DEFINITIONS**

- 1.0 **Bona fide agency** - has the meaning set forth in section VI., subsection 7.3.1.2.
- 2.0 **DGC International** – DGC International, and its agents, subsidiaries and all business units.
- 3.0 **Contingent fee** - has the meaning set forth in section VI., subsection 7.3.
- 4.0 **DFARS** - the Defense Federal Acquisition Regulation Supplement.
- 5.0 **FAR** - the Federal Acquisition Regulation.
- 6.0 **Gift** - Any personal gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. This includes, for example, services, training, transportation, local travel, lodging and meals, and monetary reimbursement for any expense.
- 7.0 **Government, U.S. Government** - the Federal Government of the United States of America, including any department or agency.
- 8.0 **Government Contract** - a contract between the U.S. Government and a private

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party to provide supplies or services to the U.S. Government or any of its prime contractors or subcontractors, such as a Blanket Purchase Agreement, an open market purchase order that DGC International has accepted, or any other contract to supply the U.S. Government.

- 9.0 **Government Employee, Government Personnel** - an employee of the U.S. Government, personnel of the U.S. Government.
- 10.0 **Government Official** - a Government Employee; a member of the United States Congress or any other elected or appointed official of the U.S. Government.
- 11.0 **Improper influence** - has the meaning set forth in section VI., subsection 7.1.
- 12.0 **Interested Government Employee** - (i) a Government Employee who is or was involved in a government procurement, where DGC International is or was a bidder or otherwise involved in the procurement; (ii) a Government Employee who was or is involved in the administration of any Government Contract with DGC International.
- 13.0 **Kickback** - has the meaning set forth in section VI., subsection 7.1.
- 14.0 **Organizational Conflicts of Interest** - may arise in situations where: (1) a contractor has taken conflicting roles in a procurement that may bias its judgment; or (2) a contractor is given an unfair competitive advantage because the contractor has access to proprietary information obtained from the Government or has source selection information which is not readily available to all potential offerors.
- 15.0 **Report; Reported** - a report made in the manner specified in section VI., subsection 1.0 (“Reporting Procedures”) of this Manual.
- 16.0 **Ethics Director** – Ayman Bekdash

#### **IV. RESPONSIBILITIES**

##### **1.0 Responsibilities that Overlap Functions or Employees.**

1.1 Where a compliance responsibility under this Manual is shared by or overlaps a number of functions and/or individuals, the involved functions and individuals are all jointly accountable for compliance with the requirement.

##### **2.0 Ethics Program Director Responsibility.**

2.1 The Ethics Program Director shall maintain an up-to-date copy of the

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FAR, and be familiar with its provisions applicable to DGC International government contracting activities. The Ethics Program Director shall consult with outside legal counsel as appropriate with respect to the application of laws and regulations pertinent to DGC International government contracting activities including the application and interpretation of the FAR.

- 2.2 The Ethics Program Director, with the approval of his or her supervisor, shall designate an alternate person to cover for him or her during periods of the Ethics Program Director's vacations or other absences.

## **V. POLICY**

- 1.0 It is the policy of DGC International to comply with all legal requirements for transacting business with the U.S. Government and its prime contractors and subcontractors, and to honor all of the terms and provisions of its Government Contracts.
- 2.0 This Manual does not prohibit DGC International from seeking to lawfully negotiate modifications of any term or provision of a Government Contract. Pending agreement with the Government regarding any contract modification, however, the Government Contract will be complied with in accordance with its terms.
- 3.0 It is the policy of DGC International to comply with all legal requirements with respect to dealing with Government Employees.
- 4.0 It is a condition of employment that DGC International employees will act ethically and responsibly at all times. Any violation of ethical responsibilities by a DGC International employee is grounds for immediate dismissal. Failure to report an ethics violation by others is also an ethical violation and grounds for immediate dismissal.

## **VI. PROCEDURE**

### **1.0 Reporting Procedure.**

- 1.1 Reports required by this Manual are to be made to the Ethics Program Director. Alternatively, the reporting employee may make the Report to his or her supervisor, who shall refer the Report to the Ethics Program Director.

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In the event a report involves the individual that the report would be made to, or if an employee has reported an improper activity and is not satisfied with the corrective actions taken to address the concern, then report shall be made to DGC International General Counsel (or if applicable, the General Counsel's delegate).

Alternatively, employees may identify non-compliance matters anonymously via the DGC International Ethics Hotline at 516-343-4381. DGC International Ethics Hotline Reports are provided directly to the General Counsel or the General Counsel's delegate and are investigated by the Legal Department or its delegate. The Ethics Program Director is responsible for ensuring that DGC International Ethics Hotline posters are reasonably displayed in work areas which DGC International personnel who work on government contracts frequent.

- 1.2 When the General Counsel receives a Non-compliance Report through any channel, he or she will take all necessary steps to determine, in conjunction with DGC International Senior Management, whether DGC International has an obligation to make a mandatory disclosure of a violation to any government body.
- 1.3 No adverse action may be taken by any supervisor or other employee against any employee due to such employee's reporting of any suspected non-compliance pursuant to this policy.
- 1.4 Such reports and these policies and procedures are designed to help DGC International ensure that it maintains compliance with all applicable Government requirements.

**2.0 Pre-award Bid, Proposal or Source Selection Information; Independent Price Determination.**

- 2.1 DGC International personnel shall not request nor receive information, prior to the award of a Government Contract, concerning source selection, or concerning bids or proposals of other vendors.
  - 2.1.1 A DGC International employee who receives an offer to provide such pre-award information must decline the offer and must Report the matter immediately.
  - 2.1.2 Any receipt of such pre-award information, even if it was unsolicited, must be reported immediately. The information must be given confidential treatment, and shall be forwarded, without

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making any copies, to the person to whom it is reported.

2.2 DGC International personnel must not provide pre-award information to others about the bids or proposals of DGC International, and prices offered by DGC International to the Government shall be arrived at independently.

2.2.1 DGC International prices submitted as part of a proposal or as part of contract administration shall be arrived at without any consultation, communication or agreement with any other bidder (offeror) or any competitor, for the purpose of restricting competition, relating to:

- DGC International offered prices;
- The intention to submit an offer;
- The methods or factors used to calculate DGC International's offered prices.

2.2.2 The prices offered by DGC International must not be disclosed indirectly or directly to any other offeror or any competitor before bid or contract award, or after, unless otherwise required by law as determined in consultation with outside legal counsel.

2.2.3 No attempt shall be made to induce any other vendor to submit or to refrain from submitting an offer for the purpose of restricting competition.

### 3.0 **Organizational Conflicts of Interest or Personal Conflicts of Interest.**

3.1 It is the policy of DGC International to identify, evaluate and immediately resolve or avoid organizational or personal conflicts of interest with respect to its government contracting activities.

3.2 All DGC International personnel should be aware of and take steps to ensure that potential organizational or personal conflicts of interest are considered and managed. If an opportunity gives rise to a potential organizational or personal conflict of interest, the employee shall immediately notify the Ethics Program Director.

Personal conflicts of interest include the following:

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“Personal conflict of interest” means a situation in which a covered employee has a financial interest, personal activity, or relationship that could impair the employee’s ability to act impartially and in the best interest of the Government when performing under the contract. (A *de minimis* interest that would not “impair the employee’s ability to act impartially and in the best interest of the Government” is not covered under this definition.)

(1) Among the sources of personal conflicts of interest are—

(i) Financial interests of the covered employee, of close family members, or of other members of the covered employee’s household;

(ii) Other employment or financial relationships (including seeking or negotiating for prospective employment or business); and

(iii) Gifts, including travel.

(2) For example, financial interests referred to in paragraph (1) of this definition may arise from—

(i) Compensation, including wages, salaries, commissions, professional fees, or fees for business referrals;

(ii) Consulting relationships (including commercial and professional consulting and service arrangements, scientific and technical advisory board memberships, or serving as an expert witness in litigation);

(iii) Services provided in exchange for honorariums or travel expense reimbursements;

(iv) Research funding or other forms of research support;

(v) Investment in the form of stock or bond ownership or partnership interest (excluding diversified mutual fund investments);

(vi) Real estate investments;

(vii) Patents, copyrights, and other intellectual property interests; or

(viii) Business ownership and investment interests.

#### **4.0 Dealing with Government Personnel.**

4.1 It is the policy of DGC International that personnel recruitment is conducted by the Human Resources function. In addition to this general policy, special rules apply to dealing with former or current Government Employees.

4.2 No DGC International employee should discuss with an Interested Government Employee the possibility of the Interested Government

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Employee becoming employed by DGC International or doing business with DGC International as a consultant or contractor or otherwise.

- 4.3 Any contact received from an Interested Government Employee, even if unsolicited, concerning the possibility of that person becoming a DGC International employee, or the possibility of that person engaging in business with DGC International as a contractor, consultant or otherwise, must be reported to the ethics Program Director.

## 5.0 **Truthful Dealing with the Government.**

- 5.1 Information submitted to the Government in connection with bids or proposals, pursuit of Government Contracts, and administration of Government Contracts shall be current, complete and accurate at the time of submission or at the time specified in a solicitation document. DGC International personnel responsible for preparing or furnishing such information shall have a documented basis for demonstrating the currency, completeness, and accuracy of such information.
- 5.2 Billing of products supplied to the Government shall be done in accordance with the applicable Government Contract and shall be for the products (including product codes and quantities) actually provided, and in all other respects accurate and honest.
- 5.3 Products delivered under a Government Contract shall be those specified in the Government Contract. If a different product is to be delivered, the Government Contract must be modified accordingly prior to delivery.
- 5.4 Timecards will be completed promptly and truthfully. Any false entry on a timecard is a criminal act and grounds for immediate discharge from the company.

## 6.0 **Restrictions on Gifts and Gratuities to Government Employees.**

- 6.1 DGC International employees may not offer or give anything to a Government Employee in exchange for an official act, nor discuss doing so with a Government Employee.
- 6.2 Government Employees generally are prohibited from accepting or soliciting Gifts or business courtesies. Any request from a Government Employee for a Gift or courtesy must be reported.
- 6.3 DGC International employees are prohibited from giving or offering to

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give Gifts or other business courtesies to Government Employees, with the following limited exceptions:

- 6.3.1 Modest refreshments (such as coffee, soft drinks or donuts) offered other than as part of a meal.
- 6.3.2 Working meals are allowed only if the Government Personnel pay their fair share of the meal and if, whenever possible, the meal takes place on DGC International premises (for example, not in a restaurant or coffee shop).
- 6.3.3 Advertising or promotional items with a market value of \$20 or less, such as coffee mugs, pens or pencils, greeting cards, plaques, certificates and other things of little intrinsic value.
- 6.3.4 Exchange of gifts between friends or family members when the exchange is exclusively the result of a personal and not a business relationship.
- 6.3.5 Gifts based exclusively on an outside (non-DGC International) business or employment relationship.<sup>1</sup>
- 6.3.6 Training provided under a Government Contract, including training intended to facilitate the use of products or services provided under the Government Contract.
  - 6.3.6.1 General promotional training is not permitted.
- 6.3.7 Free attendance at widely-attended, bona fide educational events.

## 7.0 **Improper Influence; Kickbacks, Bribes, Payments to Third Parties; and Contingent Fees.**

- 7.1 DGC International shall not use improper influence to obtain a Government Contract. Payments, bribes, commissions, fees, compensation or gifts to or from any third party in order to influence sourcing decisions or otherwise influence Government transactions

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<sup>1</sup> Note: There shall be no outside business or employment relationship with a Government Employee who is an Interested Government Employee with respect to a current procurement or solicitation of bids or a current Government Contract with DGC International. See Section VI., subsection 4.0 of this Manual.

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("Kickbacks") are prohibited. Kickbacks are strictly illegal.

7.1.1 *Improper influence* means any influence that induces or tends to induce a Government Employee or Government Official to give consideration to or to act regarding a Government Contract on any other basis than the merits of a matter.

7.2 This prohibition includes Kickbacks to Government prime contractors (for example, to induce them to influence a procurement decision in favor of DGC International), and Kickbacks from subcontractors (for example, to induce DGC International to subcontract with them under a contract awarded to the DGC International as a prime contractor).

7.2.1 Kickbacks must not be offered, solicited or accepted to or from third parties.

7.2.2 Any offer of or request for a Kickback by a third party must be reported.

7.3 Contingent Fees -- Arrangements to pay a contingent fee for soliciting or obtaining specific Government business are improper.

7.3.1 Contingent fees to bona fide employees of DGC International or a bona fide agency to obtain Government business are generally permitted, provided the fee is not to obtain a particular Government opportunity.

7.3.1.1 A *contingent fee* means any commission, percentage, brokerage or other fee that would be contingent upon the success that DGC International has in securing a Government Contract.

7.3.1.2 A *bona fide agency* means an established commercial or selling agency maintained by DGC International for the purpose of securing business.

7.3.1.3 The bona fide employee and bona fide agency exceptions only apply where the person or agency neither exerts nor proposes to exert improper influence to solicit or obtain Government Contracts nor holds himself/herself or itself out as being able to obtain any Government Contracts through improper influence.

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7.3.2 Contingent fee arrangements relating to Government business shall be coordinated with the Ethics Program Director in advance.

## **8.0 Contract Negotiations and Pricing.**

8.1 The provisions of this section ensure that: (1) in bidding for Government Contracts and in the negotiations of the terms of those contracts, DGC International provides accurate and complete pre-award pricing and any other required information; (2) during the term of a Government Contract, the DGC International timely provides full and accurate disclosure to the Government of any required information about pricing; and (3) during the term of a Government Contract, DGC International timely provides the Government with any required pricing adjustments.

8.2 Contract Negotiation. The designated DGC International representative (“Contract Negotiator”) shall represent DGC International before the Government or prime contractor or subcontractor of the Government, in the negotiation of Government Contracts.

8.3 The Contract Negotiator is responsible for providing timely, complete and accurate pricing information and for making any required adjustments to the prices charged to the Government under a Government Contract.

## **9.0 Service Contract Act.**

9.1 It is the policy of DGC International to comply with all applicable requirements of the Service Contract Act of 1965, as amended, and all applicable implementing regulations promulgated by the Secretary of Labor.

9.2 DGC International personnel who have questions regarding the requirements of the Service Contract Act, including, but not limited to, wage determinations, safe and sanitary working conditions, and record retention, should immediately consult with the Ethics and Compliance Officer.

## **10.0 Government Audit; Record Retention.**

10.1 Records relating to DGC International government contracting activities are subject to audit by the pertinent Government agency or the U.S. Comptroller General. Such records shall be retained in accordance with

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this Manual and with DGC International Record Retention Policy. See DGC International Record Retention Guidelines.

## 11.0 **Subcontracting.**

- 11.1 The Ethics Program Director is responsible for ascertaining Diamond Geeks subcontracting and purchasing obligations arising under its Government Contracts and Subcontracts.
- 11.2 Restrictions on Subcontractor Sales to the Government. It is generally impermissible to impede, or attempt to impede, competition in the government marketplace by restricting subcontractors from competing or attempting to capture Government Contracts.
- 11.3 Subcontract terms and conditions. DGC International may enter into Government Contracts that require DGC International to “flow down” terms and conditions to its suppliers, including the Business ethics clauses required by FAR part 3. The Ethics Program Director, in consultation with outside legal counsel (where appropriate), is responsible for identifying “flow down” requirements at the time any such contract is entered.
- 11.4 Subcontracting Plans. DGC International may enter into Government Contracts that require DGC International to meet certain, specified socio-economic goals in its purchasing and subcontracting activities. Generally, such requirements entail the placement of a certain percentage of its purchasing expenditures with disadvantaged, women-owned, other small businesses, and small businesses located in certain regions of the country. It is the responsibility of the Ethics Program Director, in consultation with outside legal counsel (where appropriate), to negotiate, establish, and report on DGC International subcontracting plans.

## 12.0 **Combating Trafficking in Persons**

12.1 For a sample checklist for auditing compliance with Combating Trafficking in Persons policy, click [here](#).

Applicability: This instruction applies to all DGC International, including its subsidiaries and all business units, subcontractors and vendors.

### **DGC International Policy.**

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- (1) DGC International executive management is responsible for developing overall guidance on personnel policy issues relating to Combating Trafficking in Persons (CTIP). DGC International currently follows CTIP policies of the DoD.
- (2) The DoD CTIP website is <http://ctip.defense.gov/>. The website includes DoD policy on CTIP, CTIP training information, and links to the National TIP hotline, the DoD IG website, the Department of State Office to Monitor and Combat Trafficking in Persons, and other Government and non-Government organization websites. Department of Defense Instruction 2200.01, reissued September 15, 2010, entitled Combating Trafficking in Persons, (located at <http://www.dtic.mil/whs/directives/corres/pdf/220001p.pdf>), requires the incorporation of terms and conditions in contracts performed either inside or outside the United States that—
  - (i) Prohibit any activities on the part of contractor employees that support or promote trafficking in persons; and
  - (ii) Impose suitable penalties on contractors who fail to monitor the conduct of their employees.
- (3) DoD Instruction 5525.11, Criminal Jurisdiction Over Civilians Employed By or Accompanying the Armed Forces Outside the United States, Certain Service Members, and Former Service Members, dated March 3, 2005, located at <http://www.dtic.mil/whs/directives/corres/pdf/552511p.pdf>, and as supplemented by Directive-Type Memorandum 09-015 at <http://www.dtic.mil/whs/directives/corres/pdf/DTM-09-015.pdf>, implements policies and procedures, and assigns responsibilities, under the Military Extraterritorial Jurisdiction Act of 2000, as amended by section 1088 of the National Defense Authorization Act for Fiscal Year 2005, for exercising extraterritorial criminal jurisdiction over certain current and former members of the U.S. Armed Forces, and over civilians employed by or accompanying the U.S. Armed Forces outside the United States.
- (4) Quality assurance surveillance plans (QASPs) that are developed in accordance with DFARS [237.172](#) should appropriately describe how the contracting officer's representative will monitor the contractor's performance regarding trafficking in persons such that non-compliance with FAR clause 52.222-50, Combating Trafficking in Persons, is brought to the immediate attention of the contracting officer.

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(5) DGC International shall not perform on contracts that avoid the inclusion of the clause at FAR 52.222-50, with its Alternate I, if appropriate, in solicitations and contracts.

12.2 Violations and remedies. If DGC International receives information indicating that an employee, a contractor employee, a subcontractor, or a subcontractor employee has failed to comply with the requirements of the clause at FAR 52.222-50, DGC International shall —

(i) Through DGC International's designated representative, immediately notify the Contracting Officer or Combatant Commander responsible for the geographical area in which the incident has occurred; and

(ii) Provide information for any investigation and enforcement to—

Program Manager  
DoD CTIP Policy and Programs Support  
OUSD(P&R) DHRA  
4800 Mark Center Dr. Suite 06J25-01  
Alexandria, VA 22350-4000

As well as all other relevant parties.

12.2 A list of other resources:

- Reports may be made to the DoD Inspector General Hotline at <http://www.dodig.mil/hotline/> or 800-424-9098, first and foremost.
- Reports also may be made to the Program Manager on-line at <http://ctip.defense.gov/> or by e-mail to [ctipreports@osd.pentagon.mil](mailto:ctipreports@osd.pentagon.mil).
- Reports also may be made to the National CTIP Hotline at 1-888-373-7888 or to the CTIP Hotline website at <http://www.polarisproject.org/>.
- <http://www.usaid.gov/trafficking>
- DoD Instruction 2200.01 (Reference (a)) in accordance with the authority in DoD Directive 5124.02 (Reference (b)) - <http://www.dtic.mil/whs/directives/corres/pdf/220001p.pdf>

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### 13.0 **Internal Controls**

13.1 DGC International has an ongoing business ethics awareness and compliance program. DGC International provides annual ethics training that is mandatory for every employee. There will be periodic reminders and communications about each employee's personal ethics responsibilities. The training conducted under this program shall be provided to DGC International' principals and employees, and as appropriate, its agents, consultants and subcontractors.

13.2 DGC International has set up an internal control system to accomplish the following:

- (a) Established standards and procedures to facilitate timely discovery of improper conduct in connection with Government contracts; and
- (b) Ensured corrective measures are promptly instituted and carried out.
- (c) Assignment of responsibility is at a sufficiently high level and adequate resources are provided to ensure effectiveness of the business ethics awareness and compliance program and internal control system.
- (d) DGC International has appointed as the ethics program director that has never engaged in conduct that is in conflict with the DGC International' code of business ethics and conduct.
- (e) The ethics program director will conduct periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Contractor's code of business ethics and conduct and the special requirements of Government contracting, including—
  - (1) Monitoring and auditing to detect criminal conduct;
  - (2) Periodic evaluation of the effectiveness of the business ethics awareness and compliance program and internal control system, especially if criminal conduct has been detected; and
  - (3) Periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement, or modify the business ethics awareness and compliance program and the internal control system as necessary to reduce the risk of criminal conduct identified through this process.

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(f) DGC International has established a hotline, which allows for anonymity or confidentiality, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports.

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