

# **Webworld Technologies**

## **CODE OF BUSINESS ETHICS AND CONDUCT**

*This Policy is confidential and proprietary information of Webworld Technologies, Inc.  
and shall not be used, disclosed or reproduced for any purpose other than the conduct of Webworld  
business affairs.*

## **TO ALL WEBWORLD EMPLOYEES, CONTRACTORS AND CONSULTANTS**

It has always been Webworld Technologies's policy to seek business on the basis of our expertise and ability. As we continue to build on our past business successes, the emphasis on honest business practices will remain a matter of primary importance. This Company's commitment to ethical conduct will continue to be a cornerstone of our corporate culture and personality. It is essential that every employee, contractor and consultant working for Webworld realize the importance of ethical conduct in order to preserve, protect and further the interests of the Company. While the text of the following Code only contains references to "employees" of Webworld, this code applies to all individuals working in any capacity for, or in any way as a representative of, Webworld Technologies, including employees, contractors and consultants.

The Company has prepared this Code of Business Ethics and Conduct ("Code") as a means of documenting Webworld's commitment to integrity and honesty. It is necessary for all of us to be familiar with the content of this document, because it sets forth matters of great importance to us as individuals and corporate citizens. In conducting our business activities, we must avoid both impropriety and the appearance of impropriety. To ensure that all personnel remain familiar with the Code, Webworld requires all personnel to read the Code and certify that 1) they understand the important obligations placed on them by the Code, and 2) they will adhere to the Code to the best of their ability.

Webworld will continue to be recognized as an industry leader in matters of honesty and fair dealing as a direct result of every employee, contractor and consultant exercising good judgment, common sense and adherence to this Code of Business Ethics and Conduct. Should you have any questions after reading this important document, I urge you to contact me at (703) 286-2416.



Cindy Ford

President

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## **STATEMENT OF BASIC POLICY**

Webworld Technologies seeks to conduct its business with honesty and integrity and in accordance with high moral, ethical and legal standards. These are the standards to which all Webworld employees, including newly hired employees, are expected to adhere and the standards by which they must judge their own conduct and that of the organization.

It will continue to be the policy of Webworld to comply with all applicable legal requirements and maintain high ethical standards. As a Government prime contractor and subcontractor, Webworld also has a special duty to the nation to comply with federal procurement laws. All Webworld employees must comply with this basic policy, as amplified by the Code of Business Ethics and Conduct, at all times and in all transactions.

Further, it is the duty of every employee of Webworld to conduct her/his work in compliance with this policy and to immediately report – without fear of retribution for such reporting – any violations or suspected violation, intentional or otherwise. All employees must certify that they have read and understood this Code of Business Ethics and Conduct upon joining the Company. In the event that substantial revisions have been made to the code, all employees will receive a revised copy of the Code. All employees must then certify that they have read and understand the revised Code. Employees are expected to remain in full compliance with the ethical guidelines set forth in the Code, including the duty to report all suspected violations, during the length of their employment with Webworld.

## **PROCEDURES**

Any employee who, suspecting unethical or fraudulent practices or believing that she/he is being directed to engage in said practice, should report suspected activities immediately to her/his immediate supervisor. In situations where the employee does not feel comfortable bringing these concerns to their immediate or higher level supervisor, the employee should report them to the Human Resources (HR) Department. The confidentiality of any employee wishing to report suspected violations of this Code of Business Ethics and Conduct will be preserved if requested.

Calls to the HR Department are encouraged even if the employee does not suspect a violation, but simply wishes to express concerns, whatever they may be, regarding fraud, waste and abuse, Company Procedures, product quality and service, time reporting or business practices.

In situations where the reported practices are brought to a supervisor and the supervisor believes there is a possibility that fraudulent or unethical practices may have occurred, or have been directed to be taken, the supervisor shall report same to the HR Department. Once informed by either the employee or the supervisor, the HR Department will conduct an investigation to determine the validity of the reported actions. The HR Department will liaise with the Office of General Counsel to determine the true nature of any activities reported, and will take actions necessary to correct and/or prevent any actions judged to be fraudulent, unethical or in any manner in violation of public policy. The HR Department, in conjunction with General Counsel, will report, when appropriate, to relevant authorities any known violations. The HR Department will ensure that any employee reporting actions under this policy will be free from retaliation.

## **DISCLAIMER**

**THE MANAGEMENT OF WEBWORLD TECHNOLOGIES RESERVES THE RIGHT TO CHANGE, MODIFY, OR WAIVE ANY OR ALL PROVISIONS CONTAINED HEREIN. THIS CODE OF BUSINESS ETHICS AND CONDUCT DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED EMPLOYMENT CONTRACT, BUT RATHER IS INTENDED TO COMMUNICATE CERTAIN CURRENT POLICIES REGARDING ACCEPTABLE BUSINESS PRACTICES.**

# **I. Compliance with Laws and Regulations**

## **A. General**

Compliance with the letter and spirit of applicable laws is fundamental to the concept of doing business properly. For purposes of this Code of Business Ethics and Conduct, "law" includes regulations, and encompasses U.S. government, state and local laws when applicable to our business wherever conducted. Each one of us personally is responsible for meeting this obligation. Supervisors must ensure that employees know what the law requires and understand the importance of complying with all applicable laws. Webworld subcontractors and agents, including representatives and consultants, also are expected to meet their obligations. There are serious consequences for employees, agents or subcontractors who fail to follow these laws. Strict compliance with all applicable laws is mandatory.

Laws and regulations sometimes are ambiguous and difficult to interpret. In such instances, contact the HR Department for guidance so that we can ensure our current and future compliance with prevailing laws and regulations.

## **B. Securities and Illegal Insider Trading**

There are significant criminal and civil penalties for violations of the insider trading provisions of federal securities laws. These laws prohibit employees of publicly traded corporations from purchasing or selling their employer's publicly-traded securities while in possession of material nonpublic information regarding the company. Since Webworld is a privately held corporation, its stock is not traded publicly on any exchange, so this portion of the law does not apply to Webworld employees.

However, the "insider trading" prohibition also applies to the publicly traded securities of other corporations if you possess material nonpublic information that you learned as a result of your employment. These laws also prohibit the passing of confidential nonpublic information to others who may buy or sell securities on the basis of such material nonpublic information. If, in the course of business, Webworld employees are exposed to confidential information of this nature, the laws regarding insider trading apply and misuse of such information could result in a charge of insider trading.

- "Material nonpublic information" generally includes any information concerning a company which is not yet publicly known, but which, if publicly known, could reasonably be expected to either affect the price of the company's stock, or be considered important by a reasonable investor in deciding whether to purchase, sell or retain the security. Some examples of material nonpublic information include Quarterly and annual financial results of operations prior to the company's public disclosure of such information
- Information relating to significant acquisitions or joint venture transactions to which the company expects to be a party but which has not yet been publicly disclosed.
- In the case of government clients, any information regarding planned contracts with other companies that has not yet been made public.
- Any other business plans, programs, activities, legal issues, personnel changes or any other sensitive information which may have an effect on the business operations of any publicly traded company.

Such information comes to our attention so that we can do our jobs better, not so that we or others personally can benefit by using the information in the stock market. If we possess such information, we must wait until the information becomes public before buying or selling the company's securities or disclosing the information to others.

The Insider Trading and Securities Fraud Enforcement Act of 1988 subjects individuals to substantial fines and long terms of imprisonment. Webworld also could be fined millions of dollars for an employee's insider trading violation. Furthermore, the Securities and Exchange Commission may impose against both the employee who commits an insider trading violation and her/his employer a civil penalty of up to three times the amount of the profit gained or loss avoided. Finally employees who commit insider trading violations and the company that employs them are subject to suits from other persons who suffered losses trading securities because they did not have the benefit of the material information used in the illegal insider trade.

### **C. Government Contracting Issues**

#### **1. Accurate Time Records and Reporting**

The integrity of our timekeeping system is essential to the success of Webworld Technologies. It is every employee's responsibility to ensure that we maintain an effective and accurate timekeeping system. Each employee is responsible for recording her/his time accurately. The mis-charging of costs, including labor costs, to a government contract may result in substantial criminal and financial penalties to Webworld and to the individuals involved. Written evidence supporting the relationship of the charge number to the actual contract work item must be maintained at all times by the appropriate supervisor and made available to the Finance Director and to all senior executives upon request.

#### **2. Dealing with Government Officials**

Many of the potential problems in this area relate to subjects covered elsewhere in this policy, including conflicts of interest, related party transactions, gifts, and entertainment.

However, to the extent you, as a Webworld employee, have reason to deal with federal, state, municipal and public authority officials in connection with contracts, licenses or other arrangements, it is extremely important to avoid even the appearance of impropriety. Failure in this regard can result in loss of business, as well as damaging publicity for Webworld and the employee. Webworld's employees should always bear in mind that each governmental entity will probably have its own rules governing the conduct of its employees and that these rules may be very different from any others you have encountered. If you deal with such officials on a regular basis, obtain a copy of such official's governing ethics guide or rules, if any. In addition, you must be sensitive to requests or comments by government officials that appear perfectly proper but may be susceptible to a different interpretation by other government officials or the media. All questions or uncertainties should be raised immediately with the HR Department.

#### **3. Procurement Integrity and Marketing Practices**

A large percentage of Webworld's business is either directly with the federal government in a prime contract relationship, or indirectly as a subcontractor to other Companies dealing with the federal government. For this reason, Webworld employees must strictly adhere to the letter and spirit of the variety of rules and regulations that apply to Government Contractors. The following are particular problem areas encountered by Government Contractors, but there are numerous other laws and regulations not discussed here that may apply to particular

circumstances encountered by Webworld employees. Webworld employees and supervisors always should consult the HR Department to resolve any ambiguity regarding whether a proposed course of action is in compliance with applicable laws, regulations and this Code of Business Ethics and Conduct.

#### **a) Gifts and Entertainment to Government Customers**

Federal criminal and regulatory law prohibits the entertaining and the offering, promising or giving of anything of value to an employee, agent, or official of the federal government with an intent to influence such individual in the performance of an official act, or for (or because of) an official act performed or to be performed by the public official. A number of state and lesser government bodies, such as public authorities, as well as foreign governments have similar statutes or regulations. In addition, as discussed in Section I.C.1., the Foreign Corrupt Practices Act -- a federal criminal statute -- makes it illegal to offer, pay or promise money or anything of value to any foreign government official, political party or candidate for political office, (or to anyone else who might turn over money or anything of value to such a person or political party) for the purpose of directly or indirectly obtaining or retaining business. Webworld's policy is that nothing should be done that may give even an *appearance* of improperly influencing a government official, whether here in the United States or abroad, in violation of these laws. The consequences of violating these criminal statutes can be severe for both Webworld and the individual involved.

The only exceptions to the gift rules applicable to the federal government are modest refreshments (such as coffee, soft drinks or donuts) or an advertising or promotional item, with a market value of \$10 or less. Working meals are allowed only if the government personnel pay for their fair share of the meal.

Any proposed deviation from this policy requires the advance approval of the HR Department, who will liaise with General Counsel as needed.

#### **b) Hiring Former Government Employees**

A number of complex laws and regulations govern the hiring of former U.S. government employees. The various restrictions that apply are too complicated to set forth in detail here. Accordingly, Webworld does not expect its employees to know the intricacies of these complex rules. Webworld procedure, however, requires consultation with Human Resources before engaging in recruiting discussions with a current or former government employee of any kind.

#### **c) Relationships with Government Employees**

Webworld employees must conduct Company business fairly and impartially, and must comply with the Anti-Kickback Act of 1986. This law, among other things, prohibits government subcontractors and prime contractors from providing or receiving anything of value for the purpose of obtaining or rewarding favorable treatment, including influencing a procurement action.

If you have influence over decisions regarding orders with suppliers or vendors, you must base all prices, terms, conditions and agreements on sound business judgment. You must show no favoritism or preference to anyone at the expense of the Company. You must do no one any favors, nor can you accept any favors. To accept kickbacks is a crime, both morally and legally, and violators face the prospect of stiff criminal penalties, including imprisonment.

When dealing with government employees, you may not offer gifts, services or other consideration, other than modest refreshment (i.e., coffee, donut) or any advertising novelty such



as a paperweight, key chain, or coffee mug with an apparent value of \$10 or less.

If, in the course of business for Webworld, an employee is offered a gift or some form of entertainment, such as tickets to sporting events, musical events or other similar activities where the value exceeds a nominal amount, one should seek advance approval from the HR Department so that adherence to federal rules and regulations is not violated.

When dining with government employees you must pay your own way. The offering of dinners, weekend entertainment, or other forms of entertainment, such as tickets to sporting events to government employees, are almost always prohibited. A special business situation could arise where an exception should be granted; if so, consult with your supervisor and seek advance approval from the HR Department.

#### **4. Security**

Webworld Technologies has a Secret Facility clearance with the U.S. government, and as such we have a special obligation to comply with those government regulations and laws that protect our nation's security and safeguard our nation's classified information.

Any individual employees of Webworld possessing a valid U.S. government Secret or agency security clearance and having access to specific classified or agency information must ensure that such information in whatever form it exists is handled strictly in accordance with the procedures and guidelines set forth by the Department of Defense for safeguarding classified information. The unauthorized possession of classified documents or classified information in any form, or failure to properly safeguard such information, can endanger the security of our country, is punishable under the espionage laws, and is a violation of this Code of Business Ethics and Conduct.

#### **5. Compliance with Contract Terms**

Compliance with contract terms and conditions is particularly important when dealing with the U.S., government or state and local governments. The knowing nondisclosure of a material deviation from the requirements of a government contract, including product or testing substitution, may be considered criminal fraud. Substitution includes such activities as delivering materials that have not been tested as required. Intentional substitution of products required under a government contract, or the intentional failure to provide the required quality control, may constitute a false statement or false claim against the government. Accordingly, no substitution of materials or products, or change in testing requirements or quality controls specified in a government contract should be made without approval of an authorized government representative.

#### **D. Intellectual Property**

Inventions and ideas developed as a result of expenditure of Company resources, during Company time or by using property belonging to Webworld are the property of Webworld and shall not be used or commercialized by employees. Employees have a responsibility not to misuse the inventions and ideas of others. Copyrighted or trademarked materials (including, for example, articles, computer software, or the logo of a supplier) should never be infringed.

#### **E. Environmental and Health and Safety Laws and Regulations**

If at any future time should Webworld have a common office space, it will be consistent with

Webworld's policy of full compliance with all laws and regulations governing its operations, to ensure that all of Webworld's operations comply with all applicable environmental and health and safety laws and regulations governing Webworld's business. It is expected that each employee fully comply with Webworld's directed administrative and operational standards (when publishes) as they relate to applicable environmental, health and safety laws and regulations. In the absence of clearly defined environmental, health and safety laws, regulations or standards, employees are to seek guidance from a supervisor or the HR Department.

It is the obligation of each employee to promptly report breaches of any such published policy to a supervisor, and in those cases where to do so would compromise the reporting employee, or where the supervisor fails to act, reports are to be made to the Human Resources Department.

#### **F. Political Contributions**

Webworld will make no illegal contributions, or expenditures on behalf of, either directly or indirectly, any i) candidate for elective office, ii) political party, or iii) political committee. This restriction applies not only to cash contributions, but also includes, for example: purchase of tickets to political dinners; advertisements on behalf of candidates; donation of corporate property or the services of personnel; expenditures to the media intended to affect individual decisions; and, payments and activities by trade associations or their political action committees used or intended directly or indirectly for political purposes. Any proposed political contribution with Webworld resources, or on behalf of Webworld, must receive advance approval by the HR Department and the General Counsel.

This policy, however, is not intended to chill the personal involvement of Webworld employees in politics. Individual employees are encouraged to participate in the political process, including making voluntary personal contributions to candidates or parties of their choice. All employees are expected to comply with federal and state laws regarding political contributions.

Because of the complexity and changing nature of these areas, any question relating to political contributions, expenditures or activities of Webworld should be referred to the HR Department.

## **II. Webworld and Its Business Conduct Policies**

#### **A. General Business Conduct**

All employees are expected to use tact and diplomacy in their day-to-day interactions with clients, other Webworld employees or any other persons they may deal with in their capacity as a Webworld employee or representative.

All Webworld employees, in their capacity as representatives of Webworld, are expected to avoid inappropriate comments, jokes or teasing, and to not permit others to engage in such behavior. Webworld employees are prohibited from engaging in arguments or verbal conflicts with clients or any business contacts or associates. All Webworld employees are expected to avoid the use of any sort of profane or obscene words or language in a business environment or context. Any sort of physical conflicts in the course of business are strictly prohibited. All Webworld employees are expected to conduct their business relationships with professionalism and respect.

In the event that an employee has a disagreement with or is unhappy with an aspect of their employment or association with Webworld, it is expected that the employee will as a first action

take the matter up privately with their direct supervisor, or with the HR Department, to resolve the situation. Any employee who engages in willful slander or libel of the organization, or who engages in activities which are aimed at the willful degradation or destruction of the reputation of Webworld or other Webworld employees is subject to disciplinary action, up to and including termination. Any employee who chooses to voice organizational disagreements or complaints regarding the organization to other employees or outside the organization to business partners, clients or potential clients, is subject to disciplinary action commensurate with any perceived damage done to the organization's function or reputation.

Webworld does not tolerate harassment by our employees in the business environment. Harassment for the purposes of the Code are any actions or comments relating to or denigrating another person's race, color, sex, religion, national origin, age, marital status, or disability, and is a violation of this Code. Though comments may seem harmless to you, it is often unpredictable how another person will respond. So, Webworld employees must be circumspect in their verbalization of subject matter pertaining to the above categories. This section is not meant to prevent or stop communication, only to curb communications which may be considered offensive by the recipient.

Harassment also includes unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature. Such conduct will not be tolerated.

If you witness another Webworld employee harassing another person in the business environment, you should report this harassment immediately to your direct supervisor and/or to the HR Department. The HR Department will see that the matter is promptly investigated and, where appropriate, disciplinary or other corrective action is taken. Retaliation or discrimination against any employee for reporting harassment or for participating in any investigation concerning harassment is prohibited. However, knowingly making false accusations or statements regarding harassment by another employee is also prohibited, as such conduct will impede the Company's efforts to effectively enforce this Code. Any employee found in violation of any part of this section is subject to immediate disciplinary action, up to and including immediate discharge.

## **B. Accurate Books and Records**

Books, records and accounts shall accurately, fairly and in reasonable detail reflect transactions and dispositions of assets. No unrecorded fund or asset of Webworld, domestic or foreign, shall be established or maintained for any reason. No false, artificial or misleading entries in the books and records (including tax returns) of Webworld, domestic or foreign, shall be made for any reason and no employee shall engage in any arrangement that results in such prohibited act. No transaction shall be effected, and no payment shall be made, domestic or foreign, on behalf of Webworld with the intention or understanding that the transaction or payment is other than as described in the documentation evidencing the transaction or supporting the payment. If any employee believes any such fund, asset, entry, transaction or payment might exist, full disclosure must be made to the Chief Financial Officer, and to the Chief Executive Officer.

All financial records shall be maintained in a manner consistent with generally accepted accounting principles and which would be easily defensible in the case of audit by any appropriate tax authority. Webworld shall retain as a corporate advisor a fully qualified and

certified accountant who is expert in the financial aspects of the business area encompassed by Webworld's business activities.

In addition, all Webworld documents submitted to any authority for the purpose of obtaining, maintaining or billing for services performed by Webworld shall be an accurate representation of Webworld's business activities relating to said services.

### **C. Accurate Representation**

An employee should never knowingly misrepresent any Webworld product or service or the product or service of a competitor.

### **D. Government Investigations**

Many of Webworld's business activities are in areas that, from time to time, may be the focus of written or oral inquiries or investigations by government agencies. In each instance, Webworld's HR Department will liaise with General Counsel to coordinate the response to such inquiries or investigations, including any government requests to interview Company employees.

If the inquiry is oral, your immediate response should be non-committal and cordial but you should inform the caller or visitor that you will have to contact them after you have consulted with appropriate Webworld officials. Employees should then immediately notify Webworld's HR Department by telephone of the inquiry and follow the HR Department's advice in responding to the government investigator.

### **E. Extending Business Courtesies**

A business courtesy is a gift or gratuity given or received where no consideration of equal or greater value is exchanged between the recipient and the donor. The definition of the terms "gift" or "gratuity" include meals, refreshments, tickets or invitations to performances or other events, favors, discounts, loans, forbearances, lodging, transportation, honoraria or any other thing of value. "Honoraria" include, for example, giving a plaque or other thing of value in exchange for services such as public speaking, article writing or providing an audio-visual presentation.

#### **1. Purely Commercial Customers**

The payment of gifts, kickbacks, or bribes for the purpose of influencing the buying decisions of employees of customers in the United States is illegal under state commercial bribery laws and may violate various federal criminal statutes, including but not limited to, the Anti-kickback Act and wire and mail fraud laws. For this reason, Webworld's policy is that its employees, as a general rule, shall refrain from extending such business courtesies.

In certain limited circumstances, however, a business courtesy may be appropriate in the commercial marketplace. Company policy requires all employees to exercise moderation and prudent judgment in offering business courtesies. If a Webworld employee proposes to give a business courtesy to a non-government, commercial customer or supplier, she/he should obtain the advance approval of the HR Department.

Proposed business courtesies should be assessed in accordance with the following guidance:

- The proposed gift may not be in the form of cash, stocks, bonds (or similar types of items).
- The proposed gift must be in accordance with normally accepted business practices, and comply with the policies of the organization employing the recipient.
- The proposed gift must be considered legal and in accordance with generally acceptable ethical practices in all governing jurisdictions.
- The proposed gift should not be embarrassing to Webworld even if all facts were disclosed to the public.

Where entertainment of a non-government customer or supplier is involved, lavish expenditures are to be avoided. The cost and nature of the entertainment should be planned and carried out in a way that appropriately and reasonably furthers the conduct of the business of Webworld. This, of course, does not mean that employees of potential non-government customers may not be transported to, shown, and served at comparable service installations as part of the normal sales effort, at Webworld's expense.

It is not Webworld's intent to eliminate gifts, made in accordance with normally accepted business practices (such as holiday gifts) or to eliminate normal business entertainment, where Webworld, in accordance with established practices, entertains at Webworld's expense, employees of non-government customers and individuals representing entities with which Webworld has a business interest.

#### **F. Receiving Business Courtesies**

Webworld employees are strictly prohibited from receiving any gratuity, gift or entertainment, monetary or otherwise, from suppliers, customers or competitors, other than nominal items (such as coffee, soda, donuts, advertising or promotional materials, key chains, or coffee mugs with a value less than \$10) received in relation to a legitimate business purpose. Receipt of such a gratuity may constitute a kickback (see Section I.B., above) in violation of federal and state laws and subject the employee and the company to criminal and civil sanctions. Webworld will address violations of this policy with appropriate disciplinary action, up to and including termination. In addition, employees are required to disclose on an annual basis all gifts or gratuities of *any value* received from a subcontractor or vendor. Forms for this purpose will be distributed at the beginning of each calendar year and will cover all gifts or gratuities received in the immediately preceding year.

#### **G. Finder's or Sales Agent's Fees**

A finder or sale agent is any person (other than a bona fide employee of Webworld or business broker in corporate acquisitions) who receives compensation for soliciting, securing, or retaining operating contracts for Webworld. Webworld's experience generally has demonstrated that finders can constitute an excellent means for obtaining additional business for the Company. However, the Company must exercise a high level of due diligence in its transactions with such finders to ensure, as best as possible, that the finder is a reputable individual who does not resort to improper means to influence a customer's source selection decision.

Webworld does not as a rule pay finder fees. Payment of any finder's fee is done at the sole discretion of Webworld senior executives and is prohibited without the written approval of the

HR Department and the General Counsel. It is mandatory that any agreement with a finder be set forth in writing with approval from the HR Department and the General Counsel. Any questions regarding whether a particular finder or sales agent should be retained, or whether the actions of a particular agent create risk either to the Company's reputation or of legal exposure to the Company must be raised with the HR Department, who will liaise with the General Counsel to resolve the issue.

#### **H. Conflicts of Interest**

It is essential that every Webworld employee avoid any situation or interest that might interfere with her/his judgment with respect to her/his responsibilities to Webworld.

A conflict of interest can arise, for example, where an employee (a) has a financial interest which could affect the employee's objectivity or judgment; (b) gains personal enrichment through access to confidential information; or (c) misuses her/his position at Webworld in a way which results in personal gain. In addition, Webworld employees shall not engage in outside employment or any other activity which would conflict with Webworld's interests or which would reduce the efficiency of the employee in performing her/his duties at Webworld.

A conflict of interest can arise when an employee has a personal interest, direct or indirect, in any supplier, customer or competitor of Webworld. An indirect interest would arise if an immediate family member of an employee has an interest in a supplier, customer or competitor of Webworld.

If an employee thinks she/he may have a direct or indirect conflict of interest, she/he must disclose the potential conflict to the HR Department. After an employee has disclosed a potential conflict, a determination will be made as to the appropriate course of action.

An employee may not own an interest, direct or indirect, in a supplier or a customer of Webworld, except that an employee or her/his immediate family member may acquire and hold up to two percent (2%) of the outstanding stock of a corporation which is a supplier or customer of Webworld or which engages in any business in which Webworld is engaged, if such stock is available to the general public on a registered securities exchange market.

An employee may not acquire a business opportunity, which Webworld may be interested in acquiring.

#### **I. Organizational Conflicts of Interest**

Related parties include: (a) an organization of which an officer or director of Webworld is also an officer or director; (b) an organization of which an officer or director of Webworld is the beneficial owner of ten percent (10%) or more of any class of securities; (c) any trust in which an officer or director of Webworld has a substantial interest, or serves as trustee or in a similar fiduciary capacity; or (d) any relative of an officer or director of Webworld who may significantly influence or be influenced by a business transaction with an organization of which she/he is an officer or director.

Related parties cannot be presumed to deal with one another at arm's length. Therefore, if any officer or director believes such a transaction exists (or might occur) that is other than at arm's length, full disclosure must be made to the HR Department, and the Chief Executive Officer. The HR Department and the Chief Executive Officer will liaise with General Counsel as needed.

and will decide whether the transaction is in the best interest of Webworld.

#### **J. Use and Respect of Confidential Information**

All employees receive Webworld's business and technical information and know-how in trust, and are expected to maintain such information. Webworld employees shall not use or disclose confidential information, whether it is Webworld's or a business partner's information, other than in conducting Webworld's business or for Webworld's benefit. For example, information relating to trade secrets (such as secret processes, engineering, new products, research work or developments and other proprietary aspects of Webworld businesses) as well as lists of customers and suppliers and company pricing rates and employee compensation data are corporate assets which belong to Webworld. They should not be used by employees for their own benefit or given to others, except in furtherance of Webworld's business as directed by management. Care must be taken to avoid inadvertent as well as intentional disclosure of company confidential and proprietary information.

In addition, all employees also are prohibited from seeking or accepting business or information from any competitor or from any customer to which the Company is not contractually entitled.

Finally, all Webworld employees are required to treat and protect the confidential and proprietary information of Webworld's suppliers, customers, joint venture partners and any other business associates with the same degree of care as they would with Webworld's own confidential and proprietary information.

#### **K. Internal Auditing Controls**

Although Webworld is not currently a publicly traded company, Webworld intends to follow the Securities Exchange Act of 1934 which requires public corporations to devise and maintain a system of internal accounting controls sufficient to provide assurance that: (a) transactions are executed in accordance with management's general or specific authorization; (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or other criteria applicable to such statements and to maintain accountability for assets; (c) access to such assets is permitted only in accordance with management's general or specific authorization; and (d) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

#### **L. Industry Associations**

It is Webworld's policy to belong to industry associations only when such groups contribute significant benefits to justify the time and cost of membership or support. Industry associations, by their nature, involve meetings and discussions with competitors, and care must be taken to avoid the disclosure of confidential and proprietary information specific to Webworld, including but not limited to pricing strategies, marketing strategies, and financial information. Failure to observe Webworld guidelines can result in serious liability to Webworld and to the individuals involved and may result in termination of employment or other disciplinary action, as further detailed in the Webworld Employee Benefits Manual, section on "Confidentiality."

Webworld guidelines with respect to industry associations must be adhered to by all employees attending conferences, industry conventions, or any other meeting where competitors are present.

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*This Policy is confidential and proprietary information of Webworld Technologies, Inc.  
and shall not be used, disclosed or reproduced for any purpose other than the conduct of Webworld business  
affairs.*

#### **M. Equal Employment Opportunity**

Webworld is committed to a policy of equal opportunity and treatment for all employees and prospective employees. Webworld will recruit, select, train, promote, compensate, transfer, discipline and release employees, will take any and all other personnel actions without regard to race, color, religion, national origin, age, sex, disability or veteran status. Webworld will vigorously maintain a working environment free from discrimination due to race, color, religion, disability, sex, age, national origin or any other protected class under relevant federal, state and local laws.

Webworld employees are expected to treat their colleagues, subordinates, customers and suppliers with respect and dignity, and in a professional manner so as not to offend or create a hostile environment for others. Sexual harassment will not be tolerated.

#### **N. Drugs in the Workplace**

It is the policy of Webworld to maintain a drug-free workplace. The use of controlled substances is inconsistent with the behavior expected of employees, subjects all employees and clients to unacceptable safety risks, and undermines the company's ability to operate effectively and efficiently. Consequently, the unlawful manufacture, distribution, possession, sale, or use of a controlled substance in the workplace or while engaged in company business off Webworld's premises is strictly prohibited. Such conduct is also prohibited during non-working time to the extent that, in the opinion of Webworld, it impairs an employee's ability to perform on the job or threatens the safety of other employees and the reputation or integrity of Webworld.

Subject to applicable federal, state and local laws, Webworld retains the right to require testing for illegal drugs by urinalysis or other drug tests of any employee or prospective employee at any time, with or without prior notice.

#### **O. Use of Company Resources and Property**

Company property may not be sold, loaned, given away or disposed of without proper authorization. All Company resources must be used for proper purposes during employment with the Company. Improper purposes include unauthorized personal use or appropriation of Webworld assets, data or resources, including computer equipment and software. Government furnished property similarly must only be used to serve legitimate government purposes pursuant to a government contract or subcontract. Proposed deviations from this policy must receive advance authorization from both a supervisor and the HR Department.

### **III. Certification**

All employees to whom the Code of Business Ethics and Conduct is distributed must certify by execution of the Certificate of Compliance attached as Exhibit A to this document and delivery thereof to Human Resources that they have read this Code of Business Ethics and Conduct and are complying with all Webworld policies regarding business conduct and responsibilities. Employees who fail to disclose reportable interests or relationships, who knowingly make a false report, or who fail to comply with Webworld's policies shall be subject to disciplinary action, up to and including termination.



In the event that substantial revisions have been made to the Code, all employees will receive a revised copy of the Code. All employees must then certify that they have read and understand the revised Code. Employees are expected to remain in full compliance with the ethical guidelines set forth in the Code, including the duty to report all suspected violations, during the length of their employment with Webworld.

#### **IV. Ethics Compliance Program -- Reporting and Resolving Violations of this Policy**

Webworld employees are strongly encouraged to report any violation of this Policy to the Company. Such reporting may be to their immediate supervisor and/or the HR Department. Prompt reporting of violations is considered to be in the best interest of the Company and its employees. All supervisors and managers, as well as the HR Manager will abide by an “open door” policy regarding the reporting of any potential violation of this Code. Webworld will protect the confidentiality of employees who report violations of this Code to the greatest extent possible. Managers will investigate allegations of violations, and decisions regarding appropriate action by Webworld regarding potential or actual violations, including appropriate corrective action to prevent similar violations in the future, will be based on all relevant facts. No employee will experience any retaliation by the Company as a result of reporting a violation of this Policy.

#### **V. Compliance and Discipline**

Webworld prides itself in the energy, expertise and ability of our employees. The present and future success of the Company depends on Webworld’s employees strictly conducting the Company’s business with honesty and integrity and in accordance with the highest moral, ethical and legal standards. These are the standards to which all Webworld employees, including newly hired employees, are expected to adhere and the standards by which they must judge their own conduct and that of their organization.

Though we are confident that we can count on each and every Webworld employee, deviations from the standards within our Code of Business Ethics and Conduct will not be tolerated and will be treated with the utmost seriousness. Disciplinary action will be taken against any individual who is found to have authorized, condoned, participated in or concealed actions that violate these standards; against any individual who knowingly falsely accuses another employee of a violation of law, policy or these standards, or who raises any ethical or compliance issue under false pretenses; against any supervisor who disregards or approves a violation, or who fails to prevent or report violations; and against supervisors who retaliate against an employee who reports a violation of these standards. One or more of the following disciplinary measures may be taken in regard to employees who engage in, direct, approve, or cover up ethics violations. In addition, the following disciplinary measures may be applied to any employee who has knowledge of unethical conduct and does not promptly report the activity. Disciplinary measures available to Webworld management include: verbal warning; written reprimand; probation; demotion or pay reduction; suspension; termination; damage or loss reimbursement; and, referral for civil action or criminal prosecution.

After investigation into the allegation of a Code violation, and finding the allegation to be valid, the suggested order of disciplinary action taken would follow this sequence

- verbal warning
- written reprimand
- 30-day probation
- 90-day probation
- demotion
- pay reduction
- suspension without pay
- damage or loss reimbursement
- termination
- referral for civil action or criminal prosecution.

While this is a suggested order of action, Webworld policy does not dictate the applicability of any one disciplinary action to any specific infraction, nor does it dictate any specific sequence of disciplinary gradients which may be followed by Webworld management in enforcing the Code.

Any disciplinary action taken is to take into consideration the seriousness of the violation, the frequency with which the offender has violated the Code or other Webworld written policies in the past, the extent to which Webworld and/or its clients have been put at business or legal risk, and the amount and type of damage done to Webworld and/or its clients and business associates.

The more serious the infraction, the more advanced the type of disciplinary action which may be taken. Since the Code is designed to protect Webworld, any action taken is done with the consideration of what it will take to protect the company and its business interests.

## VI. Certification Form

### Certification Form

#### Code of Business Conduct and Ethics

Name \_\_\_\_\_

Date \_\_\_\_\_

I hereby acknowledge that I have received a copy of Webworld's "Code of Business Conduct and Ethics" and have read it and understand it. If I have any questions regarding this Code, I understand that it is my responsibility to ask the Manager of the Human Resources Department about them. I also understand that any provisions of this Code may be amended or revised at any time by Webworld, and that when substantial changes are made, I may be asked to recertify my receipt, reading and understanding of the Code. I agree to adhere to all of the policies and procedures contained in this Code.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
HR Representative Signature