

Harris Standards of Business Conduct



U.S. EDITION

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HARRIS
assuredcommunications®

Harris Corporation

Standards of Business Conduct

U.S. Edition

January 2011

Please complete the form, sign it, detach along the perforations, and give it immediately to your Human Resources Representative.

I acknowledge receipt of the Harris Corporation Standards of Business Conduct. I understand that this code of conduct applies to all employees of Harris and its affiliates and wholly owned subsidiaries, and that it contains mandatory policies of the Company. I certify that I will comply with this code of conduct.

NAME (Please print)

HARRIS DIVISION / SUBSIDIARY / LOCATION

SUPERVISOR'S NAME

NAME OF BUSINESS STANDARDS ADVISOR (BSA) (Please print)

The BSA for your location can be found on the Harris website: <http://my.harris.com/bus-conduct/contacts/>

SIGNATURE

DATE

New employees: Before returning this form to your Human Resources Representative, please review and sign the "Conflict of Interest and Outside Activities Policy and Report" overleaf.



Dear Employee:

At Harris, our business culture and practices are founded upon a common set of core Company values that govern our relationships with customers, employees, shareholders, suppliers, and the communities in which we operate. Inherent in each value is our commitment to be ethical, truthful, and trustworthy. This commitment is articulated through our *Standards of Business Conduct*.

Upholding legal standards of conduct, while mandatory for every employee, is not enough. We are also responsible for maintaining ethical standards. In today's environment of complex laws and regulations, the *Standards* provide direction for many of the complicated areas we face. Please read them, be familiar with them, and act on them.

In addition to complying with the *Standards*, we must continue to openly communicate by asking questions and raising issues, even when doing so might be difficult. We encourage you to seek guidance from your supervisor, HR Business Partner, or Business Standards Advisor as each one of us is responsible for reporting suspected violations of law, Harris policy, and our code of conduct. Harris will not tolerate retaliation against any employee for good-faith participation in this program.

The Harris name is trusted and respected around the world. We are proud that our code of conduct and the ethical behavior of our Company and employees resulted in the Company being named by Ethisphere as one of the world's most ethical companies for the second consecutive year. Your compliance with our *Standards of Business Conduct*, and diligence in seeking guidance when needed, will ensure that Harris remains a company of which we can all be proud.

Sincerely,

A handwritten signature in black ink that reads "Howard Lance". The signature is written in a cursive, flowing style.

Howard L. Lance
Chairman, President and Chief Executive Officer

Commitment

Harris is committed to the highest quality in every aspect of its business activity. Inherent in that commitment are our goals for satisfying the expectations of our stakeholders—those groups with a vested interest in the success of the Company.

Customers

For customers, our goal is to achieve ever-increasing levels of satisfaction by providing quality, technologically superior products and services with distinctive benefits on a timely and continuing basis worldwide. Our relationships with customers are forthright and honest, and are conducted in a manner that builds trust and confidence. When customers buy our products, they can be confident that they will receive a reliable and productive asset that will help them take their business to the next level.

Shareholders

For shareholders—the owners of our Company—our goal is to achieve sustained growth in earnings per share. The resulting stock price appreciation, combined with dividends, is intended to provide our shareholders with a total return on investment that is competitive with similar investment opportunities.

Employees

Our employees are our most valuable resource, and our goal is for every employee to be personally involved and share in the Company's success. The Company is committed to providing an environment that encourages employees to make full use of their creativity and unique talents by providing equitable compensation and benefits, safe and motivating working conditions, and the opportunity for personal growth and development.

Suppliers

Suppliers are a vital part of our business. Our goal is to develop and maintain mutually beneficial relationships with suppliers who share our commitment to achieving increasing levels of customer satisfaction through continuing improvements in quality, service, timeliness, and cost. Our dealings with suppliers are fair and honest and embrace the highest principles of purchasing practice.

Communities

Our goal is to be a responsible corporate citizen. This includes support of appropriate civic, community, educational, charitable, and business activities; respect for the environment; and the encouragement of Harris employees to practice good citizenship and community support. Our greatest contribution to our communities is to be successful so that we can maintain stable employment and create new jobs.

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I. INTRODUCTION

Harris Corporation's core values are: Integrity, Delivering Customer Value, Global Inclusion/Collaboration/Teamwork, Results-Oriented Environment, Innovation, and Personal Growth and Fulfillment. We all have a desire for our business to succeed and grow, but we cannot compromise our values to achieve that success. *There are no gray areas when it comes to Integrity.*

At Harris, "Integrity" encompasses respect, collaboration, citizenship, honesty, and responsibility. While those values have a clear meaning, it is not always clear how they apply to our day-to-day activities. One of the reasons these Standards were created was to illustrate the application of our corporate values through specific expectations of conduct. These Standards include specific examples to help you understand the Company's values and policies, as well as many of the laws and regulations with which we must comply. You are encouraged to use these Standards as a reference.

As a global enterprise, Harris operates in many countries with differing laws, cultures, and practices. In many instances, our values require us to set standards beyond what is legally required or even commonly practiced in certain locations. Our values must never be compromised, even in business situations where competitive advantage weighs in the balance. It is imperative that we consider how our individual actions would affect the integrity and credibility of the Company as a whole, and we must avoid situations that could lead to improper or illegal actions.

If you have any questions about Harris' Standards of Business Conduct, please ask your supervisor, as he or she is the Company's first line of communication and support for these Standards. If your supervisor cannot provide you the information or assistance you need, you may talk directly to another member of your management team, your Human Resources representative, your Business Standards Advisor (BSA), or Legal Counsel for your operation, subsidiary, or division. Contact information for your BSA is posted on bulletin boards at your location and the BSA website listed below. You may also contact the Corporate Director of Business Conduct.

Business Standards Advisors

The names of all BSAs worldwide can be found on the BSA website <http://my.harris.com/bus-conduct/contacts/default.asp>.

Contact information for the Corporate Director of Business Conduct:

Denise King
Harris Corporation
M/S D-11B
1025 West NASA Boulevard
Melbourne, FL USA 32919
Phone: 1-321-724-3023
Fax: 1-321-674-2864
Email: dkingcol@harris.com

If you prefer to remain anonymous, you may raise concerns, ask questions, or make complaints as shown below.

Toll-Free Hotline:

You can call the Toll-Free Hotline anonymously at **1-800-423-7057** from the **U.S., Canada, and Mexico**. Toll-Free Hotline numbers for other Harris locations are listed at: <http://my.harris.com/bus-conduct/contacts/hotline.asp>. The Toll-Free Hotline does not indicate the caller's name or telephone number, and conversations are not recorded.

Anonymous Email:

You can also anonymously email your concerns, questions, or complaints directly to the Director of Business Conduct at: <http://my.harris.com/bus-conduct/questions/questions.asp>. The Director of Business Conduct will not be able to see your identity or work location. A case number is assigned to every anonymous email so you can send follow-up communications if necessary.

II. BUSINESS CONDUCT PROGRAM

Information and Assistance

If you desire information, assistance, or clarification concerning Harris' Standards of Business Conduct, please contact your immediate supervisor, your Business Standards Advisor (BSA), or the Director of Business Conduct (by phone or email). If the matter reported to your supervisor or BSA is not satisfactorily resolved, you should promptly direct your request to the attention of the Corporate Director of Business Conduct.

Reporting Violations

Every employee has the responsibility to promptly report any violation or suspected violation of law, Company policy, or the Standards of Business Conduct. Reports should be made to the employee's supervisor or BSA. Employees may also report violations directly to the Corporate Director of Business Conduct, particularly in instances where corrective action has not been taken following a previously reported violation or where a violation continues. In addition, employees may report concerns about accounting, internal accounting controls, or auditing matters to the Vice President of Internal Audit. Company designees who receive a report of a concern or complaint may seek the advice of appropriate line or staff personnel, including representatives of the Human Resources, Finance, Contract Compliance, Legal, or Contracts departments.

Reports will be handled in confidence to the fullest extent reasonably possible.

Retaliation Strictly Prohibited

All questions, concerns, complaints, and reported violations are taken seriously. Harris will not tolerate retaliation against any employee who raises a good-faith concern or complaint or participates in a Business Conduct investigation.

Waivers of the Standards of Business Conduct

No waiver, exception, or exemption to these Standards can be granted except with the prior approval of the Company's Board of Directors and disclosed as required by law.

Organization

The Company has established the following committees and positions to oversee and facilitate compliance with Harris' Standards of Business Conduct.

Board of Directors Business Conduct and Corporate Responsibility Committee

This committee, which oversees the Business Conduct Program, is currently comprised of four members of our Company's Board of Directors. The Director of Business Conduct serves as Secretary to the committee. The Standards of Business Conduct are endorsed by and have the full support of the Board of Directors.

Management Business Conduct Committee

This committee establishes the Business Conduct policies and practices for the Company. The Chairman and Chief Executive Officer chairs this committee, which includes all Division Presidents and Senior Corporate Management. The Director of Business Conduct serves as Secretary to the Committee. A full listing of committee members can be found on the Management Business Conduct Committee website http://my.harris.com/business-conduct/contacts/mgmt_committee.asp.

Corporate Mandatory Disclosure Committee

This committee is comprised of the Chief Executive Officer, Chief Operations Officer, Vice President of Internal Audit, Vice President–General Counsel, Vice President of Human Resources and Corporate Relations, and Executive Vice President, Chief Financial Officer. The committee is responsible for reviewing complaints and concerns that may require disclosure under the Federal Acquisition Regulation.

Corporate Director of Business Conduct

The Director is responsible for the day-to-day matters pertaining to business conduct and compliance, deals directly with hotline calls and anonymous emails, provides guidance to Business Standards Advisors, assists in identifying the need for business standards training programs, and appries the Board of Directors Business Conduct and Corporate Responsibility Committee and the Management Business Conduct Committee of significant issues and developments.

Internal Audit

Internal Audit performs regular reviews of awareness and compliance with the Business Conduct Program and conducts special reviews of matters when requested by senior management or the Audit Committee.

Business Standards Advisors

A BSA is designated for each Harris operating unit and is accessible and responsive to employee questions about the Standards of Business Conduct. Each BSA is also charged with seeking clarification or guidance from the Director of Business Conduct on areas of uncertainty regarding Company policy requirements. If matters require further review or investigation, the BSA may involve the Legal, Human Resources, Contract Compliance, or other appropriate department. A listing of the current BSAs can be found at <http://my.harris.com/bus-conduct/contacts/default.asp>.

Leaders

Harris leaders play a key role in ensuring that the Business Standards/Compliance Program is successful, as they are the employee's first line of communication when they have a problem or need advice or information. Leaders must be available to any employee seeking advice on questions arising from the Company's business conduct program and must be accessible to Business Standard Advisors (BSAs) when circumstances warrant. Leaders are responsible for:

- Conducting Company business in strict accordance with the Standards of Business Conduct;
- Maintaining a professional work environment and taking reasonable steps to prevent or detect improper conduct;
- Encouraging employees to ask questions and to report suspected violations of Company values, policy, or the Standards of Business Conduct; and
- Communicating to employees their support of the Business Conduct Program and the Company's zero tolerance policy prohibiting retaliation.

Leaders who participate in a violation of the Code of Conduct or who fail to take reasonable steps to prevent or detect misconduct shall be subject to disciplinary action.

III. GOOD CORPORATE CITIZENSHIP AND COMPLIANCE WITH LAWS AND REGULATIONS

Harris conducts its business in compliance with applicable laws and regulations. It does so with honesty and integrity and in accordance with the highest ethical standards.

The laws that affect multinational companies such as Harris are numerous, and it would be impossible to deal with all of them in these Standards. These Standards are intended to establish the way the Company deals with problems or questions that involve possible legal violations. The examples as set forth in the following pages include laws dealing with taxes; securities; antitrust; government contracts; international business; boycotts; restrictive trade practices; kickbacks, bribes, and gratuities; accurate recordkeeping; export controls; health and safety; equal employment opportunity; harassment; protection of the environment; proper use of Company, customer, and supplier resources; proper use of licensed software and proprietary information; and political contributions.

The questions and answers included in these Standards (located immediately following the section to which they pertain) are representative of issues that may arise in the conduct of day-to-day business activities. However, it is not possible to provide a complete checklist covering all contingencies. Employees should consult their supervisors or BSA before taking any action that they feel may be in conflict with the Harris Standards of Business Conduct or that fall into what may be perceived as a gray area between right and wrong.

If in doubt, please ask!

Equal Employment Opportunity and Anti-Harassment

Harris believes that its employees are a valuable resource and is committed to maintaining a workplace atmosphere that will attract and retain employees who will contribute to the Company's success. Consistent with this philosophy, it is Harris' policy to recruit, employ, promote, and take other personnel actions without regard to race, color, religion, gender, gender identity, sexual orientation, marital status, veteran status, age, national origin, disability, genetic information, citizenship status, or membership in any other group(s) protected by federal, state, local, or international laws or regulations. The Company also takes affirmative action where required by law.

Harris does not condone discrimination against members of legally protected groups, and does not tolerate retaliation against employees who file or participate in discrimination complaints filed with applicable investigative agencies. Further, it is Harris' policy to provide a respectful work environment free from discrimination and harassment, and all employees are expected to comply fully with this policy. Harris will not tolerate sexual behavior or other discrimination or harassment (such as ethnic, racial, or sexual remarks or jokes) which creates an intimidating or offensive working environment, nor will it tolerate retaliation against any individual who properly raises a concern about such discrimination or harassment.

Discrimination and harassment complaints will be promptly investigated and, where appropriate, disciplinary action designed to stop the inappropriate conduct and prevent its recurrence will be taken.

Concerns or questions regarding equal employment opportunity, discrimination, harassment, retaliation, or other employment issues should be referred to the employee's management, Human Resources representative, Business Standards Advisor, or Legal Counsel, and may also be raised anonymously via the Toll-Free Hotline or by email to the Director of Business Conduct.

Employee Duty To Maintain Confidentiality of Sensitive, Personal, and/or Proprietary Information

Some employees, as part of their day-to-day job duties, have access to Confidential Information as defined below. Harris requires all employees having access to Confidential Information—whether it is written, electronic, or in any other form—to use this information solely for legitimate business purposes. Employees are obligated to maintain this information for its intended use and to take all steps necessary to prevent unauthorized use, disclosure of, or access to, this information. Employees who have access to such information are strictly prohibited from using, divulging, or disclosing it to anyone not entitled to this information, including disclosure to outsiders as well as current or former employees. No employee may disclose or utilize Confidential Information for personal reasons, for their personal benefit, or for any purpose other than for the benefit of Harris Corporation. Upon leaving the Company, employees are not to take with them any such information belonging to the Company or others and shall continue to maintain the confidentiality of such information after termination.

Any employee who has questions about whether certain information is considered Confidential Information or whether a disclosure is in compliance with Company policy should immediately consult his/her supervisor, BSA, or Legal Counsel. They can also refer to [Corporate Policy Bulletin G-34, Proprietary Information](#).

For the purposes of this section, "Confidential Information" means any confidential, proprietary, or trade secret information, whether or not marked or otherwise designated as confidential, whether in document, electronic, or some other form, and includes, without limitation, information that is not publicly known regarding finances, business and marketing plans, proposals, projections, forecasts, existing and prospective customers, vendor identities, employees and compensation, drawings, manuals, inventions, patent applications, process and fabrication information, research plans and results, computer programs, data bases, software flow charts, specifications, technical data, scientific and technical information, test results, market studies, and know-how related to any of the above.

Training

Training is a key element of the Company's Business Conduct Program. Available courses focus on the laws and regulations that define the boundaries of our business behavior. Each course is designed to help you uphold this basic operating principle: *Harris will always do business with the highest standards of conduct and integrity.*

Harris employees hold diverse positions with differing responsibilities. The business conduct and compliance training courses that are required for you may differ from courses required for others in the Company. It is up to you and your supervisor to determine your specific training requirements, and to ensure your business conduct and compliance training is current and complete. You can find course descriptions and registration information on the Harris Intranet at: <http://my.harris.com/bus-conduct/training.asp> and Compliance Matrix at: <http://my.harris.com/ssehs/pdf/trainingMatrix.pdf>.

Accurate Records, Public Communications, and Disclosures

The laws, regulations, and Harris policies relating to recordkeeping and public communications are summarized as follows:

Harris Corporation's financial books, records, and statements shall:

- Accurately reflect all transactions of the Company;
- Contain no false or misleading statements or entries;
- Properly account for all assets and liabilities;
- Properly document travel and other business expenses in compliance with established policies and procedures; and
- Be retained in accordance with the Company's record-retention policies and all applicable laws and regulations.

Transactions should be prepared and reviewed consistent with established Company and local policies and procedures. Improper management override of properly executed transactions is prohibited.

No undisclosed or unrecorded fund or account may be established for any purpose.

As a publicly traded company, Harris is required to file reports and other documents with the Securities and Exchange Commission (SEC). These reports include quarterly and annual reports as well as a proxy statement. Harris is committed to full, fair, accurate, timely, and understandable disclosure in reports and documents that are filed with or submitted to the SEC and in other public communications made by Harris.

Loans to Corporate Directors and Executive Officers

Harris is prohibited from directly or indirectly extending credit, or arranging an extension of credit in the form of a personal loan, for any corporate director or executive officer.

Standards for Harris Principals

Certain Harris business leaders have been designated by the Chief Executive Officer (CEO) as “principals” as that term is defined by the Federal Acquisition Regulation (FAR). A Harris principal shall provide timely information to the Director of Business Conduct or the General Counsel of any actual or suspected:

- Violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code;
- Violation of the civil False Claims Act (31 U.S.C. 3729-3733); or
- Significant overpayment(s) on a U.S. Government contract, other than overpayments resulting from contract financing payments as defined in FAR 32.001.

Prompt disclosure of this information will enable Harris to review and make a timely disclosure to the U.S. Government if credible evidence of a violation is determined to exist. See [Corporate Policy Bulletin G-42, Compliance With the Federal Acquisition Regulation Mandatory Disclosure Requirement](#).

Standards for Chief Executive Officer (CEO) and Senior Financial Officers

The Chief Executive Officer (CEO) and all Senior Financial Officers as defined below ** are bound by all provisions of these Standards of Business Conduct. In addition, the CEO and all Senior Financial Officers have responsibility for full, fair, accurate, timely, and understandable disclosure in the periodic reports and submissions filed by the Company with the SEC as well as in other public communications made by the Company (“Public Communications”). Accordingly, it is the responsibility of the CEO and each Senior Financial Officer to promptly bring to the attention of the internal working group responsible for the preparation and review of the Company’s periodic SEC reports (“Disclosure Committee”) any material information of which he or she may become aware that affects the disclosures made by the Company in its Public Communications, if such information is not already being adequately addressed in Public Communications. The CEO and each Senior Financial Officer also promptly shall bring to the attention of the Disclosure Committee and the Audit Committee of the Board of Directors (“Board Audit Committee”) any information he or she may have concerning: (1) significant deficiencies in the design or operation of internal controls over financial reporting that could adversely affect the Company’s ability to record, process, summarize, and report financial data; or (2) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s financial reporting, disclosures, or internal controls.

In the event of violations of these Standards by the CEO or any of the Company’s Senior Financial Officers, the General Counsel, as representative of the Disclosure Committee, shall promptly inform the Chairperson of the Audit Committee, who shall determine appropriate actions to be taken. Such actions shall be reasonably designed to deter wrongdoing and to promote accountability. In determining what action is appropriate in a particular case, the Audit Committee shall take into account all relevant information, including the nature and severity of the violation, whether the violation was a single occurrence or repeated occurrences, whether the violation appears to have been intentional or inadvertent, whether the individual in question had been advised prior to the violation as to the proper course of action, and whether or not the individual in question committed other violations in the past.

** “Senior Financial Officers” include, but are not limited to, Division Controllers and Corporate Officers with financial accounting and reporting responsibilities, including the Chief Financial Officer (CFO), Vice President–Tax and Treasurer, Vice President–Financial Services, Vice President–Internal Audit, Principal Accounting Officer, and other accounting and financial officers.

Concerns Regarding Accounting, Financial, and Auditing Matters

General Information; Retaliation Prohibited

The Company is committed to maintaining compliance with all applicable securities laws and regulations, accounting standards, accounting controls, and audit practices. Any employee or other person may submit to the management of the Company a good-faith complaint or concern regarding accounting or auditing matters involving Harris and/or its subsidiaries without fear of dismissal or retaliation of any kind.

In order to facilitate the reporting of complaints and concerns, the Board Audit Committee has established procedures for: (1) the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters ("Potential Accounting Matters"); and (2) the confidential, anonymous submission by employees of concerns regarding Potential Accounting Matters.

Reporting of Complaints and Concerns

Any person with concerns regarding Potential Accounting Matters may report such concerns to the Vice President of Internal Audit, telephone number 321-724-3166, or to the Director of Business Conduct, telephone number 321-724-3023. Harris employees may forward complaints regarding Potential Accounting Matters on a confidential and/or anonymous basis to the Director of Business Conduct using the Toll-Free Hotline, 800-423-7057, or by anonymous email <http://my.harris.com/bus-conduct/questions/questions.asp>. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate investigation. Company employees also may forward complaints to their supervisors, managers, members of the Legal Department, or BSAs.

Covered Complaints or Concerns

Complaints or concerns relating to any Potential Accounting Matters may include, without limitation, the following:

- Fraud or deliberate error in the preparation, evaluation, review, or audit of any financial statement of the Company;
- Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- Deficiencies in or noncompliance with the Company's internal accounting controls;
- Misrepresentation or false statement to or by a Senior Financial Officer regarding a matter contained in the financial records, financial reports, or audit reports of the Company; or
- Deviation from full and fair reporting of the Company's financial condition, results of operations, or financial statements.

Review/Investigation of Complaints and Concerns

Upon receipt of a complaint, a determination will be made as to whether the complaint pertains to a Potential Accounting Matter. If it does, it will be handled in accordance with the procedures established by the Board Audit Committee; if it does not, the Vice President of Internal Audit will handle the complaint in the same manner as other complaints under the Standards of Business Conduct.

Retaliation Prohibited

The Company will not discharge, demote, suspend, threaten, harass, or in any manner discriminate or retaliate against any employee in the terms and conditions of employment based upon any lawful actions of such employee with respect to good-faith reporting of complaints regarding Potential Accounting Matters.

Environmental, Health, and Safety Matters

Harris' Environmental, Health, and Safety (EHS) policy is to comply with non-U.S., federal, provincial, state, and local EHS laws and regulations, as well as to prevent occupational illnesses and injuries, conserve natural resources, minimize waste, and limit negative environmental impacts.

The first part of this policy affirms the Company's absolute commitment to legal compliance. The second—preventing illnesses and injuries, conserving resources, and minimizing waste—contributes to improving the Company's efficiency and profitability while reducing or eliminating environmental impacts and protecting employee health and safety.

Harris is committed to protecting the health and safety of its employees, visitors, and the public. It is Harris' policy that all of its facilities and products comply with all national, state, and local health and safety laws and with the laws and regulations of the countries in which the Company operates. Harris has established programs, procedures, internal controls, and training to meet or exceed these requirements.

Every Harris employee must comply with government regulations and Harris policies and procedures, and should immediately report any violation thereof to his/her supervisor, Business Standards Advisor (BSA), the Director of Business Conduct, Director of EHS, or Legal Counsel. Each employee should strive to work safely, conserve resources, reduce waste, and minimize the environmental impacts of Harris activities, products, and services in ways that contribute to business success. Our subcontractors, suppliers, and consultants should also be made aware of our expectation of compliance.

Questions To Ask Yourself

- Q:** Who should I contact about ideas or concerns with respect to safe practices associated with specific job tasks?
- A:** Begin with your supervisor, who may refer you to the Health and Safety coordinator or site safety team.
- Q:** How should I report an injury/illness that occurs while traveling away from my place of business?
- A:** If a work-related injury/illness occurs, contact your supervisor and Human Resources as soon as possible and keep them fully apprised of the situation.
- Q:** How should I report an injury occurring during work?
- A:** Report the injury to your Supervisor as soon as possible and follow your location's accident reporting procedure.
- Q:** How do I know if I'm doing something that's regulated by EHS laws?
- A:** Your EHS coordinator, the EHS department, or business unit Legal Counsel can assist you in determining whether your day-to-day activities, products, or services are subject to EHS regulations. Contact any of these individuals or departments if you have a question. In many cases, specific EHS compliance training may be required.
- Q:** Harris ships products into many states and countries. How do I know that our products comply with the EHS laws of those jurisdictions regulating product content and recycling?
- A:** Your EHS coordinator, the EHS department, or business unit Legal Counsel can assist you in determining whether your activities, products, or services are subject to EHS regulations. Contact any of these individuals or departments if you have a question.
- Q:** Who should I talk to if I have questions regarding EHS policies, procedures, or ideas on improving safety, conserving resources, minimizing waste, or limiting environmental impacts of our activities, products, or services?
- A:** Start with your supervisor and your business unit EHS coordinator. If you feel your question or idea is not getting the attention it deserves, contact your BSA, the Director of Business Conduct, EHS, or your business unit Legal Counsel at <http://my.harris.com/legal/> or <http://my.harris.com/ssehs/>.

Political Contributions and Activities

Federal Lobbying

Federal lobbying activity is highly regulated in the U.S. and includes attempts to influence members of Congress, Congressional staff, and certain officers and employees in the Executive Branch with respect to legislation, rules, regulations, programs, policies, nominations, and other types of similar actions. Such activity can take the form of phone calls, emails, letters, or face-to-face meetings. Among other things, Harris is required to register as federal lobbyists those employees who engage in certain levels of federal lobbying activity and must file quarterly lobbying reports and semiannual expenditure and contribution reports and certifications. Semiannually, registered lobbyists must individually report certain personal expenditures and federal political contributions and make gift rule certifications.

In order to comply with all applicable federal lobbying laws, employees must confer with the Harris Government Relations Office (GRO) before commencing any federal lobbying activities or hiring an outside lobbyist on behalf of Harris, a subsidiary, or any organization of which the Company is a member. The lobbying of Congress (to include Congressional Staff contacts) is to be done only by the Company's registered federal lobbyists.

Federal Office

While Harris encourages its employees to participate actively in the political process, such activities must be carried out on the employees' own time and at their own expense. U.S. law, the laws of certain other countries, and Company policies forbid the use of Company funds or other assets for contributions to or support of political candidates for federal office. Examples of prohibited corporate activities include the purchase of tickets for political fundraising events and in-kind contributions such as paying Company employees for work on federal political campaigns. At the same time, the Company may support plant visits by political candidates under certain circumstances; such visits must comply with federal election laws, rules, and regulations and must be coordinated with the Vice President of Washington Operations. All employees and Company operations located outside the United States must comply with these requirements as they apply to the use of Company funds or other Company assets.

Lobbying in Other Jurisdictions

All 50 states, the District of Columbia, and many local jurisdictions regulate the lobbying of their legislatures and, in most jurisdictions, the executive branch and other Government bodies. The rules vary greatly and often involve periodic reports by lobbyists and their employers as well as special gift and campaign finance restrictions. In order to comply with all applicable state and local lobbying laws, employees must confer with Legal before attempting to influence the actions of a state or local Government official or employee or hiring a state or local outside lobbyist on behalf of Harris, a subsidiary, or any organization in which the Company is a member. Where not prohibited, any political contribution to any candidate, party, or political committee or entity requires the advance approval of division and corporate management. Again, the Company applies this requirement to all international operations.

Where political contributions of Company funds or assets are permitted, they must not be treated as expenses for tax purposes unless the law in the applicable jurisdiction clearly permits such deductions to be taken. Questions in this area should be referred to the Corporate Tax Department.

Corporate Opportunities

Employees are prohibited from: (1) taking for themselves opportunities that properly belong to Harris, or those of which they become aware through the use of corporate resources, information, or position; (2) using corporate resources, information, or position for personal gain; or (3) competing with Harris. Employees owe a duty to Harris to advance its legitimate business interests when the opportunity to do so arises.

Insider Trading and Duty To Maintain Confidentiality of Company Sensitive and Proprietary Information

As an employee, you may have access to both: (1) material nonpublic information about Harris or about companies with which Harris does business, including customers and suppliers; and (2) other information that, while not material, may nonetheless be sensitive, confidential, and/or proprietary information, including trade secrets, competition-sensitive data, computer programs, and other technical business and financial information regarding the affairs and business of Harris, employee records, personnel and medical records, and other records, files, and information. This information must be used solely for legitimate Harris business purposes and employees are prohibited from using such material, nonpublic information, or other sensitive or confidential information for personal gain or advantage.

Employees are also required to fully comply with securities laws governing transactions in Harris securities or the securities of any company with which Harris does business, as well as Harris' policies relating to insider transactions. These laws provide substantial civil and/or criminal penalties for individuals who fail to comply. Employees who are aware of material nonpublic information relating to Harris or companies with which Harris does business may not buy or sell stock, bonds, options, or other derivatives of Harris or such other companies or pass that information on to others. Both material nonpublic and other sensitive or proprietary information about Harris should be kept strictly confidential, and all reasonable efforts should be undertaken to prevent unauthorized disclosure of, or access to, this information. Employees in possession of such material information may not trade in Harris securities until such material nonpublic information has been disclosed broadly to the marketplace and the public has had time to fully absorb the information (generally 48 hours following a press release or public filing).

Material information is any information that a reasonable investor would likely consider important in making a decision to buy, hold, or sell securities. While it is not possible to list all types of information that might be "material," information related to the following subjects is often regarded as material:

- Financial information, including sales, orders, or income results;
- Financial projections, forecasts, or budgets;
- Mergers, tender offers, or acquisitions of other companies or major purchases or sales of assets;
- Awards or cancellation of major contracts;
- The gain or loss of a significant customer or supplier;
- Changes in senior management;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Development of significant new products or technologies;
- Major litigation or Government investigations or the threat thereof;
- Write-downs or restructuring charges; and
- Major transactions or negotiations with other companies, regarding joint ventures, alliances, or licensing agreements.

In addition to the prohibition on trading while aware of material nonpublic information: (1) all Directors, officers, and director-level and above employees, and (2) all other employees who are aware of or have access to material inside financial information relating to quarterly or annual financial results of Harris or its divisions or business units are also prohibited from directly or indirectly trading in Harris securities during the period commencing on the fifteenth (15th) day of the third (3rd) month of a fiscal quarter and continuing until two full business days (a full 48 hours minimum) have elapsed following the public release of the quarterly or annual financial information. Directors and executive officers are also prohibited from undertaking short sales of Harris securities or undertaking any transactions in Harris puts, calls, or other derivative securities on an exchange or in any other organized market.

If you are planning to buy or sell Harris securities and believe you may be in possession of material information, or you are unsure whether restrictions apply to you, consult with Harris' Legal Counsel, Corporate Secretary, or the Vice President–General Counsel before conducting any transaction. (See [Corporate Policy Bulletin G-2, Conflict of Interest and Outside Activities](#), and [Corporate Policy Bulletin G-23, Material Non-Public Information and Insider Trading Policy](#)).

Questions To Ask Yourself

Q: I've become aware of financial information on one of the Company's customers (or suppliers) that indicates the customer is in better financial condition than most people realize. I want to purchase some of the customer's stock. May I do so?

A: You may not purchase this stock until the financial information is known to the public. Information of this sort may have been provided to Harris in confidence by the customer to help Harris determine how to meet the customer's needs. Using this information for personal purposes or disclosing it to others is a violation of Harris' policy and is illegal.

Q: I am aware that a large order for Harris products has been placed by a customer, but has not yet been announced. May I purchase Harris stock based on that information?

A: No. This is a violation of Harris policy and a potential violation of federal securities laws. You may purchase Company stock only after such information is known to the public for a period of at least 48 hours. Consult [Corporate Policy Bulletin G-23, Material Non-Public Information and Insider Trading Policy](#), for more information.

Antitrust/Competition Laws

Generally, U.S. antitrust laws prohibit any activity that may improperly reduce or inhibit competition. Comparable prohibitions are in effect in the European Economic Union and other countries in which Harris does business.

For example, antitrust laws prohibit agreements or understandings among actual or potential competitors to fix or control prices, boycott specified suppliers or customers, or limit the production and sales of product lines. These kinds of agreements clearly violate U.S. and international law and are prohibited by Company policy. It is also possible that agreements or understandings among competitors to allocate products, territories, or markets may likewise violate antitrust laws. Employees are prohibited from engaging in discussions of any such matters with representatives of other companies.

These antitrust laws also apply to international business and transactions related to imports to, or exports from, the United States, transactions in which any U.S. citizen or corporation is a party to a transaction which may have direct, substantial, and foreseeable effect on the foreign commerce of the U.S. (e.g., imports and/or exports). For example, an arrangement which would restrain a U.S. company from selling abroad, or a non-U.S. company from selling into the U.S., would clearly be subject to U.S. antitrust laws. The laws also apply to transactions in which only non-U.S. citizens or businesses are involved, where it is shown that there has been a substantial effect upon U.S. foreign commerce and that such effect was intended by the parties.

Any employee requiring information or clarification about these laws should contact his/her Legal Counsel for clarification.

Questions To Ask Yourself

- Q:** I will be attending a trade association meeting next month. I am interested in determining Harris' chances for receiving a contract award and would like to discuss this with other competitors who will be there. Is that okay?
- A:** No. You should not discuss pricing, terms of contracts, or other similar proprietary business information with employees of competing firms. This might give others an unfair advantage, and it could lead to antitrust charges.
- Q:** I am at a trade association meeting. During the meeting, attendees begin to discuss the state of the market and where people expect prices to go. Is it all right for me to participate in this discussion?
- A:** No. You should not participate in or remain at a meeting of competitors at which current or future prices or manufacturing costs are discussed. You should clearly voice your objection to such discussions, leave the meeting, and promptly report the incident to Legal Counsel. In some cases, a trade association may legally collect and disseminate historical information about industry sales volume, industry revenues, and industry production capacity which does not reflect firm-specific data. To make sure you are complying with the antitrust laws and Harris policy, you should consult with Legal Counsel before providing such information or obtaining it from a trade association.
- Q:** We just got a Request for Proposal for a multimillion-dollar business opportunity. It appears that Harris will have a better chance of winning if we team with another company. The one we have in mind is a competitor. How can we make sure that we negotiate a teaming agreement that benefits Harris and minimizes our risks?
- A:** Legal Counsel can help you assess and minimize risk and draft a legally compliant agreement. Before you even approach a potential teammate—especially a competitor—ask your Legal Counsel to evaluate the relationship, particularly with respect to antitrust issues and protection of Harris Proprietary Information.

Doing Business With the U.S. Government

Much of Harris' business involves a close working relationship with branches of the U.S. Government. Therefore, Harris employees working in this area where the ultimate customer is the U.S. Government, including those working for non-U.S. operations and subsidiaries that might become involved in U.S. Government procurement, must be aware of and comply with the laws, regulations, and rules that govern the acquisition of goods and services by the U.S. Government. Our subcontractors, suppliers, and consultants should also be aware of these requirements. Employees requiring information or clarification regarding these laws, rules, or regulations should contact Legal Counsel for assistance.

Procurement-Sensitive Information

Harris competes fairly and properly for all its business opportunities. No employee, subcontractor, dealer, agent, or consultant working on the Company's behalf shall induce directly or indirectly, in writing or orally, the unauthorized disclosure of any procurement-sensitive or security-classified information relative to a U.S. procurement. This prohibition includes soliciting, obtaining, or disclosing any competitor bid or proposal information, or proprietary or source selection information.

Procurement Integrity

The procurement integrity laws impose certain restrictions on the activities of U.S. Government officials and their contractor counterparts when they are engaged personally and substantially in the conduct of U.S. federal agency procurement. In general, prohibited activities include: (1) offering, discussing, or accepting post-Government employment or business opportunities; or (2) offering or accepting any money, gratuity, or other thing of value. Because of the complexity of the laws and the severe penalties which can be imposed for violations, only the Human Resources Department, with Legal Counsel's assistance, is authorized to conduct employment discussions with current or former U.S. federal agency employees. Questions covering the laws, requirements, or possible violations of the law should be referred to your supervisor, Business Standards Advisor, or Legal Counsel. Advice should be obtained well in advance of any Harris activity that could be perceived as a possible violation of the law. Informed precaution will ensure Harris' ability to properly pursue U.S. Government contract opportunities.

Relationships With Suppliers and Vendors

Employees are prohibited from engaging in any conduct that violates the Anti-Kickback Act, which prohibits U.S. Government contractors and subcontractors from offering, soliciting, providing, or receiving anything of value for the purpose of obtaining or rewarding favorable treatment, including influencing a procurement action. Also, employees must be careful to avoid actual or potential conflicts of interest and must annually certify to Harris that they have not violated, and do not know of any other employee who has violated, any provisions of the Act.

Use of Appropriated Funds

U.S. Government-appropriated funds shall not be used to pay anyone to influence, or attempt to influence, those employed by the Executive or Legislative Branches, including members of Congress and their staffs, in connection with the award of U.S. Government contracts or contract modifications.

Certifications and Representations

Under the Truth in Negotiations Act, employees involved in the negotiation of contracts or other business transactions related to U.S. Government procurement must be sure: (1) that all cost and pricing data is provided, to the extent required, to the U.S. Government, and that it is current, accurate, and complete; and (2) that any other statements, communication, certificates, and representations to U.S. Government representatives are accurate and truthful. In addition, any employee signing any certification or representation on behalf of Harris should ensure it is accurate and truthful before signing.

GSA/MAS Contracting

Employees involved in selling or offering to sell commercial products or services to the U.S. Government under the General Services Administration (GSA) schedule or Multiple Award Schedule (MAS) must be familiar with and comply with all laws and regulations concerning GSA and MAS contracting requirements.

Proper Time Charging

Each Harris employee must ensure that all hours worked are accurately and promptly recorded to the appropriate cost objective. Harris cannot and will not knowingly seek a reimbursement for any false claim or unallowable costs. Falsification of timecards or other cost records will be grounds for immediate termination of employment. Such conduct may also result in criminal prosecution of Harris and the employee(s) involved and could also include the awarding of civil damages against both Harris and the employee(s) involved.

Claims and Proposals

No employee should knowingly submit or concur in the submission of any claims, bids, proposals, or any other documents that are false, fictitious, or fraudulent. Such actions are grounds for immediate termination of employment and could result in criminal prosecution of Harris and the employee(s) involved and/or the imposition of civil damages against both Harris and the employee(s).

Product Substitution/Product Liability

Harris must comply with all contractual requirements regarding the materials and products to be furnished and the quality control and testing to be performed under U.S. Government contracts. Any deviation from the requirements of a U.S. Government contract could subject the Company to liability for breach of contract and constitute a violation of specific laws regarding product substitution. Product substitution includes failing to deliver products as specified in a contract; delivering similar products that have been made from lower quality or different materials than specified in the contract; delivering products that have not been tested as required; and providing non-U.S. made products when U.S. materials are specified by the contract. These actions could be considered fraudulent and could lead to criminal prosecution.

Failure to comply with specifications in a contract could result in possible civil product liability claims in addition to any actions taken by the U.S. Government. No substitution of materials or products, or change in testing requirements or quality controls specified in a contract, should be made without first informing and obtaining the approval of the appropriate level of Harris management. If a Government contract is involved, it is usually necessary to inform and obtain approval of authorized Government representatives.

Mandatory Disclosure Under the Federal Acquisition Regulation (FAR)

Under the FAR, U.S. Government contractors and subcontractors are required to disclose to the federal government credible evidence of certain violations of U.S. criminal law, the civil False Claims Act, and significant overpayments involving the award, performance, or closeout of a U.S. contract or subcontract. While it is impossible to list each and every possible violation of governing authorities that Harris expects its principals, managers, employees, and agents to disclose internally, Harris requires the prompt reporting of any business standards, compliance, or ethics concern, complaint, or issue using any of the channels set forth in these Standards. Anyone to whom such a disclosure is made (e.g., BSA, Human Resource representative, or manager) must immediately forward the report to the Corporate Director of Business Conduct. Upon disclosure, Harris will assign the appropriate subject-matter experts to perform a review bringing to bear the appropriate Company resources available for this purpose. Violations that may fall within the FAR mandatory disclosure guidelines will be reviewed and dispositioned in accordance with [Corporate Policy Bulletin G-42, Compliance With the Federal Acquisition Regulatory Mandatory Disclosure Requirements](#).

Security Clearances

Many employees are required to obtain and maintain a security clearance. These employees must be aware of all of the responsibilities and obligations associated with their respective clearance(s). Any questions or concerns should immediately be reported to Security.

Questions To Ask Yourself

- Q:** Do the Harris Standards of Business Conduct apply to consultants?
- A:** Yes. Consultants hired by the Company are required to adhere to the same standards as Harris employees.
- Q:** Is it permissible for a Harris employee, or retained consultant, to obtain proprietary information concerning a competitor's prices?
- A:** No. It is not permissible for Harris employees or consultants to improperly obtain information that another party considers proprietary or confidential.
- Q:** My supervisor asked me to charge my time to an incorrect charge number. What should I do?
- A:** First, make sure that your supervisor knows what you are really working on so that there is no misunderstanding about the work you are doing. If that doesn't resolve the problem, you should seek advice from your next-level manager, your Business Standards Advisor, the Corporate Director of Business Conduct, or Legal Counsel.
- Q:** An employee of a Government customer has asked me to help her develop a specification to be included in a Request for Proposal. May I help her do this?
- A:** You may provide factual information concerning the Company's products and services and offer potential solutions to the customer's business needs as long as they are identified as originating from Harris. However, you may not prepare all or any part of a Request for Proposal unless authorized by the customer in writing and unless the authorization is first reviewed by Company Legal Counsel.
- Q:** An employee of a Government customer has asked me to review a copy of a competitor's proposal. May I provide this assistance to the customer's employee?
- A:** You may not assist a Government customer employee in reviewing a copy of a proposal submitted by a competitor unless Harris receives authorization in writing from the Procuring Contracting Officer, the action does not violate the Procurement Integrity Act, and it is reviewed and approved in advance by Company Legal Counsel.
- Q:** One of our Government contracts requires a test during the early stage of production that duplicates part of a test required during a later stage of production. The earlier test is clearly a waste of time and money and will delay delivery. Can the extra test be skipped?
- A:** No. Since the contract requires that both tests be performed, no change in testing or quality controls can be made without first informing and obtaining the approval of the appropriate level of management, as well as the approval of our customer. To knowingly deliver a product that fails to meet the contract specifications or testing requirements, without specific prior approval from the customer, could be considered fraud and a violation of law.
- Q:** We are in the middle of preparing a proposal for a large Government procurement and I have just received an email containing a copy of a competitor's proprietary information from an unknown source. What do I do with it?
- A:** Immediately contact your Business Standards Advisor or Legal Counsel and turn the information over to them. Do not copy it, share it with others, or use it in any way. Proper intelligence-gathering is a legitimate marketing activity, but use of apparently proprietary information received from unknown sources is never an approved practice.
- Q:** What types of competitors' information may Harris employees legitimately receive?
- A:** Information that is available to the general public (e.g., published price lists, catalogs, etc.) or that is provided to Harris by a representative of the competitor, who has the authority and approval to release the information, may be received and used by Harris employees.
- Q:** I don't know what charge number to use for the job I'm working on. Can I use another number and correct the charges later?
- A:** No. Take the time to get the correct charge number. Ask your manager or check the authorizing paperwork.

Q: Harris must disclose current, accurate, and complete cost and pricing data to the U.S. Government in connection with many of its contracts. What does this mean?

A: As defined by the Truth in Negotiations Act, “cost and pricing data” means all the facts at the time of agreement on price that prudent buyers and sellers could reasonably expect to affect price negotiations. These include: vendor quotes; nonrecurring costs; changes in production methods and estimates; and any other final management decisions that could have a significant bearing on cost or price.

Q: In estimating labor costs on a major proposal for the U.S. Government, we would like to use a new computer estimating technique instead of actual labor cost data from prior contracts. Would we have any obligation to disclose the actual labor cost data to the Government?

A: Yes. The Truth in Negotiations Act requires the disclosure of all factual data that prudent buyers and sellers would reasonably expect to affect price negotiations significantly. Thus, you should disclose the data, even if you did not use it in your estimate, since a prudent negotiator would find the data useful in negotiations. When in doubt, disclose.

U.S. Government Audits, Examinations, and Investigations

In accordance with laws and regulations, and consistent with certain terms of its contracts and subcontracts, Harris has agreed that the U.S. or other governments may examine certain Company financial records and cost data. Our employees are to cooperate with designated U.S. or other government representatives to facilitate timely and efficient performance of examinations as required by the terms of these contracts.

Whenever our employees are requested to furnish financial data to U.S. or other government auditors, responses must be approved and provided by the appropriate Harris Finance representative. Release of nonfinancial records and data requested by the U.S. or other government, such as commercial, national, non-U.S., or other government contracts or business transactions, must be approved in advance by responsible functional or program management personnel.

Government Interviews of Employees

In addition to contractual reviews, audits, and requests for financial data or other information, employees may be directly contacted for interviews by Government representatives or agents, including representatives of the Federal Bureau of Investigation (FBI), Defense Criminal Investigative Services (DCIS), the Inspector General (IG), Internal Revenue Service (IRS), Defense Contract Audit Agency (DCAA), or other Government investigation services conducting civil or criminal investigations related to Harris or Harris employees. These contacts may occur at an employee’s home after normal Harris work hours.

If contacted by a Government agent seeking an interview pertaining to Company business, employees are requested to notify their supervisor and Legal Counsel immediately. If contacted during nonbusiness hours, employees are encouraged to contact their Legal Counsel at home. Employees have the right to decide whether or not to be interviewed and may lawfully decline to be interviewed. Employees also have the right to consult with an attorney, either a Harris attorney or the employee’s own private attorney, before deciding whether to be interviewed. The employee may lawfully defer an interview until an attorney has been consulted.

If an employee consents to a Government interview, the employee may determine the location, time, length, and scope of the interview. An employee has the right to terminate an interview at any time after it has begun. In any interview in which the employee elects to participate, the employee must always tell the truth to the best of his or her knowledge and belief. An intentional false statement to a U.S. Government agent may constitute a crime.

Harris Legal Counsel is available to consult with employees and provide them with additional information about any investigative issues and the interview process.

Note: The above guidance is not intended to apply where Harris employees are contacted by Government investigators conducting background investigations for the purpose of granting or renewing Government security clearances. These contacts are routine and the investigators will identify themselves and advise that this is the purpose of the interview.

International Business Practices

Harris conducts business in many countries with differing laws, customs, and requirements. In addition to local laws and practices, as a U.S.-based corporation, Harris must also comply with U.S. laws that apply outside the U.S. This means that all Harris employees, agents, and consultants must comply with certain applicable U.S. laws even when engaging in business transactions outside the U.S.

Occasionally, there may be conflicts between local laws and U.S. laws or Harris Standards or policies. In such situations, consult with your Business Standards Advisor or Legal Counsel. (See [Corporate Policy Bulletin G-13, International Business Transactions](#).)

Export Control Regulations

Harris conducts its international business in compliance with U.S. export laws and regulations and those of the countries in which it does business. For example, U.S. law prohibits the export of certain commercial products, strategic goods, defense articles, and their related technologies, and the furnishing of defense services, unless licensed by the appropriate federal agency—either the Department of Commerce or the Department of State. The same laws and regulations may apply to the re-export of goods and services from another country.

In the export of certain defense articles, technical data, or the furnishing of defense services, prior approval is needed from the U.S. Department of State, pursuant to the Arms Export Control Act and the International Traffic in Arms Regulations (ITAR).

The export of commercial or “dual-use” items is subject to the Export Administration Act and the Export Administration Regulations. The classification of the product, technical data, or service determines if prior approval from the U.S. Department of Commerce is required before export.

These laws also apply to non-U.S. subsidiaries of Harris. Each division has an Export Control Manager who can assist in answering questions about trade controls.

Contacts With Foreign Nationals

An export can occur anywhere when equipment or technical data is released or made available to a foreign person, whether within or outside the United States. Exports of technical data can take place in a variety of ways, including document shipments, proposals to foreign customers, technical publications and presentations, demonstrations and promotional literature, trade and air shows, and plant tours. Exports can take place in person-to-person conversations, letters, telexes, facsimiles, technical meetings, email, providing of assistance, and training to foreign persons via the Internet. Contact your Export Control Manager, http://my.harris.com/export_compliance/pdf/harris_trade_control_orgchart.pdf, BSA, or Legal Counsel if you have any questions about transmitting Harris technical information using any of these means.

Foreign Business Travel

Harris employees traveling internationally need to fully understand applicable export requirements prior to departure. Hand-carrying equipment and technical data overseas is generally discouraged. However, if a hand-carry cannot be avoided, contact your Export Control Manager to determine what export documentation may be needed. This requirement also applies to laptop computers.

Employees doing business internationally should become familiar with the particular business customs and practices of the countries in which we do business. What may be acceptable in the U.S. may not be appropriate in another country.

Foreign Visitors

Visits by foreign persons to Harris facilities where U.S. export-controlled articles or technical data is present are strictly regulated and must be monitored and controlled. Harris employees who are not U.S. citizens and who do not meet the criteria of a “U.S. Person” as defined by the ITAR are subject to the same export controls as non-Harris foreign persons, as are representatives of non-U.S. organizations and foreign governments, even though they may be U.S. citizens. Check with your Export Control Manager for any applicable limitations concerning the release of technical data before hosting a foreign national visit.

International Boycotts

It may be illegal to enter into agreements with representatives of another country or to provide information that could be construed as furthering boycotts of third countries or restricting international trade practices. The U.S.

Government may impose criminal or civil penalties on U.S. companies, their international subsidiaries, and employees for violating U.S. boycott laws.

Illegal boycott language can find its way into many different transaction documents, including letters of credit, purchase orders, invoices, and shipping receipts, to name a few. Because the mere receipt of a request to engage in illegal boycott activity may require a report to the U.S. Government, all employees must immediately preserve any documents containing such language and consult your Export Control Manager, Legal Counsel, and/or the Corporate Tax department for advice if such a request is received. Under no circumstances should the request be acted upon without first seeking appropriate guidance.

Global Anti-Bribery Policy

Harris is committed to conducting its business globally with integrity, transparency, free from improper influence, and strictly in compliance with the anticorruption laws of the United States and every other country in which we do business. Harris policy requires its employees, officers, and representatives to comply with all applicable anti-bribery laws and never to make a payment or gift that may be construed as illegal or otherwise improper regardless of local law or customary practice.

Every country in which Harris has operations has laws that prohibit bribery. These laws criminalize improper payments and gifts made both in that country (domestic bribery) and, in the case of payments and gifts to public officials, those made in another country (international bribery). The domestic bribery rules govern payments and gifts made to the representatives of both commercial and government customers.

Almost every country in which we do business is a party to the Organization of Economic Cooperation and Development's (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. This international agreement commits its signatories to implement national laws to make it a criminal offense to bribe a public official. In the United States, this treaty has been implemented through the Foreign Corrupt Practices Act of 1977 (FCPA). These laws make it unlawful:

- To give, offer or pay anything of value, directly or indirectly, to a public official:
 - To obtain or retain business, or
 - To gain an improper business advantage

Some countries (including the United States) also make it an offense to fail to properly record payments to or for the benefit of public officials.

While the FCPA permits facilitation or "grease" payments (a small, nominal payment to an official to have a routine duty or function performed), Harris policy does not permit such payments unless necessary for health or safety reasons. Questions concerning such payments should be directed to Harris Legal Counsel for guidance.

The FCPA and Harris policies require that a system of internal accounting controls be maintained accurately to prevent concealment of corporate bribes and slush funds. The fact that bribery may be condoned as an accepted local practice in a country does not relieve Harris or its employees and agents from complying with the FCPA and these Standards of Business Conduct.

Domestic and international anticorruption laws (including, without limitation, the FCPA) are vigorously policed and enforced. Failure to comply can result in significant civil and criminal sanctions, both for Harris and the individuals responsible for the relevant improper conduct. Corporate penalties include fines, a ban on future government business, and denial of export licenses. Sanctions for individuals that violate anticorruption laws include fines and imprisonment.

Harris has created several resources to alert its employees, intermediaries, and agents to the latest developments and enforcement trends in the area of international anticorruption laws. There is an anticorruption compliance brochure on the Business Conduct website. In addition, a course is available at the Harris Learning Center. Also, employees who travel internationally, are engaged in international sales or marketing, or who have customers or prospective customers visit from outside the U.S. should familiarize themselves with [Corporate Policy Bulletins G-37, International Gifts and Hospitality](#) and [G-39, International Intermediaries](#).

Foreign Military Sales (FMS)

Sales of U.S. defense products and services to non-U.S. governments, whether under the FMS program or through direct commercial contracts, are governed by U.S. laws that regulate not only the exports but also certain payments and commissions to persons, whether U.S. or foreign, involved in the transaction. Dealer payments and services may raise complex legal issues. Therefore, employees must first consult with Legal Counsel.

Foreign Trade Secret Laws

Most major industrial countries provide for the protection of trade secrets as intellectual property. However, in some countries there may be no legal protection for trade secrets, and even if trade secret laws are present, the enforcement of such laws may be lax or nonexistent. Some countries have criminal provisions as well as civil remedies for the breach of trade secret contract provisions.

Laws vary from country to country, and must be reviewed on a case-by-case basis with Legal Counsel.

Questions To Ask Yourself

- Q:** Harris is considering pursuing a business opportunity outside the United States. I have been told that in some countries it is necessary to pay, or in some way “take care of,” an official for the purpose of obtaining business. Is this permitted, especially since I understand the country in which we will make the sale has no laws precluding such activity?
- A:** No. Harris policy and the U.S. Foreign Corrupt Practices Act prohibit the giving of money or anything of value to a foreign official for the purpose of influencing a foreign official, even though local practice or custom permits it. Limited payments, sometimes called facilitating payments, may be made to expedite or secure performance of routine government action, but the rules are complicated. Check with Legal Counsel before making a questionable payment.
- Q:** A Harris division received an order from a country that has imposed an economic boycott on another country. The potential customer’s purchase order contained a statement to the effect that the supplier agrees not to procure materials from any blacklisted firm. May the division accept the order?
- A:** No. Accepting this order would subject Harris to criminal and tax sanctions. It is Harris’ policy to comply with antiboycott provisions of U.S. law. The division should seek legal and tax advice before proceeding.
- Q:** Is it true that hardware or technical data must physically leave the U.S. border for an export to have taken place?
- A:** No. An export can take place anywhere in the U.S. or in any location when technical data or hardware is made available to anyone who is not a U.S. citizen or lawful permanent resident (“green card” holder). Proper export authorization, either in the form of an export license or written U.S. Government customer approval, must be obtained before providing export-controlled items or technical data to foreign persons, whether physically, in writing, visually, or orally. Personal meetings, telephone conversations, and email could each result in an illegal export of technical data. Before having a meeting or telephone conversation about technical data with a foreign person, check first with your Export Control Manager or Harris Legal Counsel.
- Q:** How does the Foreign Corrupt Practices Act (FCPA) affect me?
- A:** The FCPA affects those Harris employees who travel internationally or who deal with representatives of foreign governments. Generally, the FCPA prohibits U.S. companies’ employees and their agents from offering or providing anything of value, directly or indirectly, to a government official for the purpose of getting or maintaining business. If you travel internationally or deal with representatives of foreign governments, you must be aware of and fully comply with the FCPA. To learn more about the FCPA, contact your Legal Counsel.
- Q:** We want to expedite deliveries to a non-U.S. customer. Can our shipping department be bypassed and the items sent via a non-U.S. small-package courier?
- A:** The export of hardware to non-U.S. locations must always comply with Company policy and procedure. By circumventing appropriate Company oversight, as well as contract quality, shipping, and other possible requirements, use of small-package couriers (for example: Federal Express, Airborne Express, or UPS) could expose the Company to risk of export control violations. In many cases, export licenses or U.S. customs paperwork is required. Always check with your Export Control Manager or Legal Counsel before shipping any item or technical data.

Q: In order to expedite the delivery of products and technical drawings to a non-U.S. customer, I propose to hand-carry or have other employees traveling to our customer's facility hand-carry these products and drawings in luggage or briefcases. Would this be a problem?

A: Yes. This could violate U.S. export laws and Company policy, and could cause embarrassment, delays, seizure of the products and drawings, fines, and loss of export privileges. Contact your Export Control Manager or Legal Counsel before hand-carrying Harris products or technical data abroad.

Entertainment and Gifts

Employees must not offer gifts, entertainment, favors, hospitality, or gratuities to improperly influence customers, suppliers, or others. The purchase of goods and services from suppliers must preserve the integrity of Harris' procurement process, which is based on quality and performance.

With some limited exceptions, U.S. Congressional gift rules generally prohibit employers of federal lobbyists like Harris from providing gifts to members of Congress and Congressional staff. Furthermore, the Company and each of its in-house federal lobbyists must separately certify twice per year that they have not provided any gift or travel in violation of the Congressional gift rules. As a result of these rules, no director, officer, employee, or agent of Harris may provide anything of value to a Member of Congress, Congressional staff, or officer or employee of the Executive Branch of the federal Government without prior coordination with Harris Legal Counsel or the GRO. This policy applies equally in the United States and internationally.

The following are some guidelines to help you in working with U.S. Government employees whether inside or outside of the United States:

Government Customers

- U.S. Government departments and agencies have regulations concerning acceptance of entertainment, meals, and gifts from firms and persons with which they do business. Harris employees must not give, or even offer to give, Government employees any entertainment, meal, or gift, regardless of the value, when that act would be a violation of the rules or regulations of the Government employee's agency. Generally, most Government agencies permit their employees to accept business courtesies, including mementos, coffee, donuts, or similar light refreshments, with a retail value of less than \$20.00. The rules also state that in no event may the total amount from the Company in one year exceed \$50.00 for that Government employee unless the gift qualifies under one of several exceptions.
- Employees may not make loans, guarantee loans, or make payments to or on behalf of Government employees.
- Employees may entertain relatives or close friends employed by Government agencies, but that entertainment should not be related in any way to Company business. Harris will not provide reimbursement for such social entertainment of Government employees.
- The offering or furnishing of money, goods, services, or anything of value to a Government official in exchange for official action or as a result of official action is strictly prohibited.

Non-Government Customers and Suppliers

In cases involving suppliers, or where the customer is not the U.S. Government, the following guidelines apply:

- Providing meals, refreshments, nominal gifts, and modest entertainment in conjunction with business discussions with persons not employed by the U.S. Government is a commonly accepted business practice and is permitted. However, the following activities are specifically prohibited:
 - Making or offering significant gifts to customers, other individuals, or organizations that have business relationships with the Company. (Necessary business expenditures for occasional meals, modest entertainment, mementos, and novelties of nominal value, when such actions are legal and do not violate any customer or supplier's policies, are acceptable.)
 - Engaging in any conduct, including offering or accepting a gift, meal, entertainment, etc., which raises even the appearance that you are engaging in an inappropriate course of conduct.
 - It is difficult to define what is "nominal." Subject to the rules of the offering company, a Harris employee generally may accept a gift, a memento, or an invitation to an entertainment venue where the value is less than \$20.00 U.S. Depending on the situation, the country you are in, currency valuation, or local customs, a gift of a higher value may be viewed as nominal. It is important to use good judgment and ask a BSA or the Director of Business Conduct if you are in doubt as to what is appropriate under our

Standards of Business Conduct. While \$20 U.S. is not a hard and fast limit, each employee has discretion within limits to determine for themselves what is appropriate under the circumstances.

- Receiving or soliciting gifts from suppliers or would-be suppliers of products and services to the Company or from other organizations or individuals that have business relationships with the Company. If you work in Procurement or Subcontracts and a gift is offered from a vendor you are negotiating with, you cannot accept a gift regardless of value. (Accepting occasional ordinary and necessary business meals, gifts, mementos, and novelties of nominal value is permitted.)

International Customers

It may be lawful and customary in some countries for employees of companies that do business with each other to provide gifts or mementos as a natural and expected form of conducting business. In situations where it is considered appropriate to engage in such activity, gifts or mementos may be given or received if the following conditions are met: (1) it cannot be construed as a bribe to a foreign official in violation of any law, including the U.S. Foreign Corrupt Practices Act; (2) it will not cause embarrassment to or discredit the Company if disclosed; and (3) before giving or receiving any gift or memento of more than nominal value, approval must first be obtained from Harris management. In all cases, the providing of gifts or mementos will be done in the name of the Company and gifts received that are of other than nominal value are to be turned over to the Company and will become Company property. Any questions concerning the propriety of prospective activities in this regard should be referred to Legal Counsel or the Director of Business Conduct.

Questions To Ask Yourself

- Q:** A high-level group of United States Government officials is making a goodwill tour of Harris facilities. I wish to give them a memento as a small token of the visit. Is this against Company policy?
- A:** If the memento has a retail value of less than \$20.00, or in the case of souvenirs or ceremonial mementos of nominal value, it is unlikely that the Government agency's standards of conduct prohibit employees and representatives from accepting a business courtesy of this type. Before tendering such a gift, it would be prudent to review the particular agency rules that apply to the visiting Government officials, and to ask a representative from the agency whether it would be appropriate. A memento may only be provided to a visiting member of Congress or Congressional staff if it is worth less than \$10.
- Q:** Why can't I give a pen and pencil set to a representative of the Department of Defense when other Company employees are able to provide the same item to a commercial customer?
- A:** The Department of Defense (DoD) expressly prohibits its employees and representatives from accepting any business courtesies with a retail value in excess of \$20. In no event may the total in one year from Harris exceed \$50.00 for that employee. Other federal departments and agencies have similar and some more stringent restrictions, and these should be determined before offering such gifts. Most commercial customers have not imposed such strict standards on their employees, thus Company policy allows such an item to be provided if a customer's policies permit.
- Q:** There is a large group of NSA employees coming in for a program review. Does Company policy permit Harris to provide lunch during the meeting at Harris facilities?
- A:** It is not against Company policy to host such a working business meal. However, NSA policy may require the Company to provide the opportunity for the NSA employees to pay for the cost of the food and refreshments they consume. You should consult your supervisor, Business Standards Advisor, or Legal Counsel regarding the procedures to be followed when hosting NSA employees.
- Q:** An Army officer is a personal friend. I have no business connection with him. Does it violate Company policy for me to invite him to a professional football game and pay for his ticket out of my own pocket?
- A:** Company policy would not prohibit this activity provided there is a personal relationship with no business overtones. However, Harris will not reimburse the cost of the ticket.
- Q:** A commercial customer with whom I do business occasionally visits our facility. May I buy her lunch?
- A:** So long as this does not violate any of her employer's policies and the meal expenditure is reasonable considering the business relationship involved, this would be permissible. You should have your supervisor's approval before incurring such expenses.
- Q:** I understand that certain Government agencies prohibit Harris from providing hospitality to Government employees. I know that the lead Government technical person on my program is a ballet enthusiast. Can I take her to a ballet and pay for the ticket out of my own pocket?

- A:** No. Harris policy does not permit an employee to offer business courtesies that the Company is prohibited from offering. It is the act of providing the prohibited business courtesy, not the source of , that creates the problem.
- Q:** I am hosting FAA officials visiting Harris in conjunction with an inspection of the local regional FAA office. In this instance, the FAA is not a Harris customer—do the restrictions on offering business courtesies still apply?
- A:** Yes. The applicable U.S. Government regulations and Harris policies apply to all business associations with U.S. Government employees.
- Q:** May I accept a business meal from a supplier representative?
- A:** In most circumstances, modest and infrequent business meals may be accepted. On other occasions, it may be more appropriate for Harris or the employee to pay for the meal. However, whenever a vendor pays for a meal, always consider the specific circumstances and whether your impartiality could be compromised or appear to others to be compromised.
- Q:** May I accept free tickets to a trade show from a vendor?
- A:** Yes, it would be appropriate to accept as long as the vendor is providing tickets to all customers, your attendance at the trade show would benefit Harris, and Harris is not being given special treatment.
- Q:** I am responsible for organizing various meetings for my boss, including the selection and bookings of hotel reservations for extensive Harris marketing meetings. Is it all right for me to occasionally ask the hotel manager for a complimentary room for my personal use, since we give so much Harris business to the hotel?
- A:** No. Your request would violate Harris policy. You are prohibited from soliciting gifts from suppliers and your solicitation of a complimentary room would be using your position to obtain preferential treatment and could also affect your impartiality in arranging hotel accommodations for future meetings.
- Q:** If a representative of a supplier, vendor, or customer presents me with a pen and pencil set as a token of appreciation, may I accept it?
- A:** As long as the item is of nominal value, is widely available to others under similar circumstances, and your supervisor allows you to accept such business courtesies, you may keep it for your personal use. If the item does not meet these criteria, politely return it to the donor.
- Q:** My entire organization has just been invited to attend an open house being sponsored by a supplier with whom we deal. May we attend?
- A:** As long as the business courtesies extended are modest, open to all of the employees in your organization, and your supervisor approves your attendance, your attendance would not violate Company policy. However, if door prizes of appreciable value are available, or other vendors or suppliers might feel obligated to hold similar affairs in order to remain on an equal competitive status, your attendance might be restricted by Company policy. Get the advice of your supervisor or BSA before accepting.
- Q:** A golf tournament is being sponsored by a vendor. The cost of the tournament is \$75, but almost every entrant will receive a prize in excess of the entry fee. May I play and keep any prize I might win?
- A:** Before you participate in such an event, you should obtain your supervisor's approval and discuss your participation with your Business Standards Advisor. It is necessary to understand who will be participating in the tournament and the purpose of the tournament. If it is an event attended by representatives from a number of companies or, for instance, it is intended as a marketing event, then it likely would be permissible to participate.
- Q:** I work at a Harris international location and a supplier has offered me two tickets to a World Cup Soccer match. Can I accept the tickets?
- A:** No. Harris policy requires that you politely decline the offer and explain to the supplier that your acceptance of the tickets would violate Company rules, because a ticket to a World Cup soccer match is not of nominal value.
- Q:** I received an apparently expensive basket of fruit from a vendor for a Christmas present. I did not solicit the gift. If I try to return the basket, it will probably spoil before it gets back to the vendor. What should I do?
- A:** First, your supervisor should be informed that the gift was received. Where it is impractical to return the gift, it should be treated as property of the Company. In the case of a gift of food, an appropriate use would be placing it out in the department so that everyone can share in it, or it can be given to a charitable organization. The vendor should also be notified that the gratuity was received, but request that, though it was appreciated, Harris policy prohibits such gifts.

- Q:** Can I attend a luncheon with a DoD representative as long as we go “Dutch,” or can we play golf together if we each pay our own expenses?
- A:** Yes, you can. But you should be concerned about the appearance and the perception by others. You do not want to embarrass yourself or the Government representative. The appearance of impropriety should always be avoided. If you have any doubts, you should discuss them with your supervisor or BSA.
- Q:** I recently attended an industry trade show and all guests were invited to present their business cards to enter a raffle for an iPod®. Is it okay to enter the raffle? If I win, is it okay to keep the iPod and do I have to report it to anyone?
- A:** Harris employees are generally prohibited from accepting gifts valued over \$20.00 from current or prospective suppliers and vendors. However, at industry trade shows and conferences items that are “raffled” and “samples” of goods given to provide guests a better idea of their products may be retained for personal use as long as all guests are eligible or it is made available to all guests. Supplier or vendor logo items given away at trade shows and conferences such as bags, pens/highlighters, water bottles, mini repair kits, notepads, etc., are also acceptable for personal use. There is no reporting obligation for “nominal value” items of this nature.

IV. EMPLOYEE RESPONSIBILITIES

Proper Use of Company, Customer, and Supplier Resources

Every employee is responsible for safeguarding Harris property, equipment, and other assets, as well as any equipment, property, or information that has been furnished by customers or suppliers.

Company resources are to be used consistent with Harris policies and procedures. Abusive, unreasonable, or other inappropriate uses of Company resources are prohibited. These resources include Company time, material, equipment, information, and electronic communication/mail systems. The Company provides Internet access to facilitate conducting Company business. Access to offensive or inappropriate websites is strictly prohibited. Employees must treat the resources or information of current or prospective suppliers or customers the same as Company resources. Any resources entrusted to the Company must be used as authorized by the supplier or customer.

Employees must ensure that proper measures are taken for the storage, safeguarding, protection, or destruction of Company, customer, or supplier data and information to prevent unauthorized access, use, or removal of such data or information by any means and in any form (electronic, optical, magnetic, or hard copy), including the Internet and Intranet. For additional information, employees should consult [Corporate Policy Bulletin G-34, Proprietary Information](#), [Corporate Policy Bulletin G-11, Records Retention Policy and Guidelines](#), and the [Harris Communications Guidelines](#), available on the Harris Intranet homepage or in hard copy from your Human Resources department.

Harris employees must make continuous efforts to control costs. Materials and services used for Company business must be acquired in accordance with the most rigorous procurement standards to assure quality and cost-effectiveness in all purchasing transactions.

When traveling on behalf of the Company, employees must use the same cost-conscious standards they would use for their own personal travel. Company policies and practices provide standards for the selection of air carriers, vehicle rentals, accommodations, and expenditures for meals, and must be followed.

Patents and Copyrights

Patents and copyrights are created by the laws of the United States. Unauthorized copying, manufacture, use, sale, or importation of products protected by these laws may subject Harris to civil and criminal liability. In many cases, it is not clear whether, or to what extent, an item is protected. Harris intellectual property attorneys are responsible for investigating and making these determinations. Any questions should be referred to the Legal Department.

Harris is licensed by the Copyright Clearance Center for copying portions of approximately 1,500,000 publications of 8,600 publishers subscribing to the service. It should be understood, however, that many publications are not represented by the Center. Legal Counsel should be contacted for advice as to copying and identification of licensed works.

Software

Harris frequently licenses computer programs owned by others. As a licensee, the Company may be required to maintain the licensed programs as trade secrets. Employees having access to such programs are often obligated to maintain the licensed programs as trade secrets both during and after employment. Employees should not copy or use computer software and related documentation in violation of license or use restrictions. Legal Counsel should be contacted concerning advice for the protection and licensing of computer programs.

Confidentiality Agreements

At times, discussions will take place with others outside the Company that may involve either the disclosure or receipt of confidential technical or business information. Unless a prior written agreement is entered into between the parties, there may not be an exchange of trade secrets, or the receipt of another's confidential information, to the legal detriment of the Company.

To avoid such situations and the possibility of litigation that may result from a misunderstanding as to the basis of the disclosure, it is important that an approved nondisclosure or nonconfidentiality agreement be in place before the disclosure takes place. Legal Counsel should be consulted for assistance.

Questions To Ask Yourself

- Q:** I have access to a Harris computer that provides internal (e.g., email) and external (e.g., Internet) communications. Do the Harris Standards of Business Conduct apply to this area?
- A:** Yes. Harris computing and communications systems must be used consistent with Harris policy. It is important to apply the same care and sensitivity to electronic communications that is appropriate for written forms of internal and external communication. Access capabilities (e.g., passwords) must be carefully protected. Additional guidance is provided in the Harris *Communications Guidelines* available on the Harris Intranet homepage or in hard copy from your Human Resources Department. See *Corporate Policy Bulletin G-28, Internet and Computer Resource Usage*.
- Q:** Harris has purchased numerous computer programs to assist employees in performing their job duties. I have been asked to copy some of these computer programs for use by other Company employees because the software program is needed immediately and they cannot wait for their copy to be purchased. May I do this?
- A:** If the programs are copyrighted or otherwise protected, and Harris has not negotiated a multi-user license, the reproduction of such programs would not only be in violation of Company policy but could also subject Harris to liability. You should never make copies of software unless you are certain that you have a legal right to do so. See *Corporate Policy Bulletin G-28, Internet and Computer Resource Usage*, and *Corporate Policy Bulletin G-27, Software License Compliance Program*.
- Q:** I have access to a Company truck that is not currently being used and I want to use it to move my furniture to a new apartment. I plan to pay for the gasoline I use. Is this in violation of Company policy?
- A:** Yes. It is a violation of Company policy to use Harris property for personal purposes.
- Q:** I am active in community affairs and volunteer my time and effort to such activities. May I use Company reproduction equipment to make copies of information pertaining to these activities?
- A:** While the Company encourages its employees to participate in community affairs, it would be a violation of Company policy to use Company equipment for such purposes, unless your supervisor and Business Standards Advisor have approved such use in advance.
- Q:** Can proprietary data provided by a supplier for a specific program within Harris be shared with other Harris organizations outside that program, or be released outside the Company?
- A:** The answer depends on whether the supplier has authorized the release of that proprietary information outside the specific program. Harris must comply with the restrictions that the supplier has placed on the use of its proprietary information. Contact your Legal Counsel.
- Q:** The Travel Department has suggested an approved hotel that is convenient to where I need to stay. Can I refuse this hotel to stay at an alternate hotel where I earn frequent traveler benefits?
- A:** Yes, if the alternate choice is an approved Harris hotel and costs the same or less. Harris allows employees to benefit from frequent flyer programs as long as Harris policy is followed, which requires that approved hotels be used whenever possible.
- Q:** Is it all right for me to use my office computer after business hours for related outside courses?
- A:** Possibly. The answer depends on a case-by-case review of the situation; always ask your supervisor first.
- Q:** Is it all right for me to copy software from my office computer onto my home computer so that I can do Company work at home?
- A:** Possibly. The answer depends on what is permitted by the terms of the software license; always obtain your supervisor's approval first.
- Q:** What is the Company policy on monitoring employee Internet use and blocking certain websites?
- A:** Harris monitors its computing and communications system. Users are expected to use good judgment and comply with *Corporate Policy Bulletin G-28, Internet and Computer Resource Usage*, and the Harris Standards of Business Conduct. Monitoring is performed to identify prohibited nonbusiness-related activity and inappropriate or offensive Internet website access. Software technology is in place to block access to websites that are either clearly inappropriate or offensive or that have a low probability of being business related.
- Q:** I use the Internet for job-related purposes during my workday. The Internet access is also helpful, however, after hours to perform research needed for my evening college classes. Can I use the Company Internet access for this purpose?

A: Possibly. Reasonable personal use of this Company resource may be permitted; this would be a matter to be determined by your supervisor, consistent with the Harris business unit policy.

Conflict of Interest

Employees are expected to act in the best interest of the Company and to provide a full measure of working time and attention to their assigned duties.

Outside Employment

Management and professional employees at the director-level or above are employed and compensated on the basis that their full business and technical abilities are devoted to Harris activities. They should therefore not have outside business interests that require management or professional time or effort, except as approved in advance by the CEO or as required to manage normal personal investment programs. All employees must avoid direct or indirect employment or other business connections with, or investment in, competitors, suppliers, or customers, except for passive investments as part of a personal investment program. All other outside employment must not adversely affect Harris or the employee's job performance.

Exceptions for director-level and above employees may be made for activities associated with nonprofit organizations, provided prior written approval is obtained from the appropriate level of management.

Harris encourages all employees to participate in professional societies and associations, and to engage in civic and other voluntary community activities in accordance with personal and Company interests. However, employees must use good judgment in deciding how much individual time to commit to outside activities.

Laws and regulations pertaining to former United States Government employees and military personnel may impose certain restrictions on the duties they may perform for Harris, whether as consultants or employees. Accordingly, Harris employees must, to ensure compliance with these laws and regulations, take all reasonable precautions prior to hiring or retaining such personnel and during their employment. Employees should consult Legal Counsel or their Human Resources representative before discussing any employment relationship with current or former federal employees or military members.

Questions To Ask Yourself

- Q:** I know an individual who is retiring from U.S. Government service and will be looking for a job in the private sector. May I inform her or him of possible opportunities within Harris that may be of interest to her or him?
- A:** While you may mention in a very general manner that possible opportunities may exist, you should not get into any specifics regarding employment or current openings or requirements. You should definitely not make any promises or offers regarding employment, or accept a resume. There are restrictive rules regarding the employment of current or former federal employees. You should refer the individual to the appropriate Human Resources representative rather than engaging in any specific discussions. These same guidelines apply to consulting arrangements with former U.S. Government employees.
- Q:** I am an Engineering Manager and want to start a retail furniture store whose target customers will be individuals and not businesses that have any relationship with Harris. Is this a conflict of interest under Company policy?
- A:** This would not be a conflict of interest as long as you do not use Company resources or time to solicit sales from your fellow employees and your participation in the business is accomplished outside of your normal work hours and does not adversely impact Harris or your ability to do your job. You should, however, review the matter with your supervisor and Business Standards Advisor before starting this activity.
- Q:** My proposed consulting service will primarily target small businesses. Is this a conflict of interest under Company policy?
- A:** This activity will be a conflict of interest if the customers of your service are also Harris vendors, suppliers, customers, or competitors, or if Harris proprietary information could be used. You should review your plan with your supervisor and Business Standards Advisor before providing this service.
- Q:** I have been approached by friends to invest in a company that will produce a product that could eventually be sold to Harris. This is purely a passive investment on my part and I will not take part in the management of the company or provide any advice. Will this be a conflict of interest?
- A:** Whether or not this activity constitutes a conflict of interest depends upon what position you hold with Harris, the influence others may perceive you have in the selection of Harris suppliers, the nature and extent of your

investment, and the importance of Harris as a prospective customer. Your supervisor and Business Standards Advisor should be asked to review this activity in advance.

Q: A current Harris customer has asked me to be a consultant in developing a product that would be of no interest to Harris. I often deal with this customer on the job. Is this a conflict of interest?

A: Yes. This would create a conflict of interest because other Harris vendors, suppliers, or customers might suspect you of favoritism toward this particular company even though none may be present. The objectivity of your business decisions could be questioned.

Q: Can an employee at the director level teach a course at a local university for pay?

A: Yes. It is permissible for employees at any level to teach at educational institutions with the advance written approval of his/her supervisor.

Q: Can an engineer, on his or her own time and without using any Harris equipment, utilize engineering knowledge and skills to design, develop, and market for profit a product or service that does not compete with Harris products or services?

A: If the engineer is not a director-level employee and so long as no Company resources and time are used, such activity is permissible.

Q: I am an engineer and an expert in my field. A university at which I teach a course after hours (with the Company's approval) has asked me to write a book about my field of expertise. I would be entitled to compensation for the book. Can I do this?

A: In this case, the book would be considered an extension of the approved teaching and therefore it would be permissible to write the book with the written approval of your supervisor and Business Standards Advisor.

Q: A manager whose wife owns a popular local restaurant needs to select a restaurant at which to hold a business luncheon to be paid for by Harris. Can he pick his wife's restaurant if the cost is comparable to alternative restaurants?

A: In general, this would not be considered a good practice. Even the perception of favoritism should be avoided. In any event, the manager should discuss the matter with, and seek the approval of, his supervisor and Business Standards Advisor before any decision is made.

Q: I have recently joined Harris and previously worked as an engineer for a competitor. I have information I used during my previous employment that would be helpful on a Harris program. Can I use this information?

A: The answer would depend on the nature of the information. If the information was identified and treated as proprietary or trade secret information by your previous employer, Harris policy would prohibit its use on a Harris program without first obtaining express consent from the owner. Consult with your Business Standards Advisor or Legal Counsel before using any of the information for Harris' benefit.

Compliance and Discipline

Failure to comply with Harris' Standards of Business Conduct may result in disciplinary action up to and including termination of employment, and also exposes an employee to civil liability or criminal prosecution.

Disciplinary action should be considered in all appropriate circumstances including, but not limited to:

- Any employee who is found to have authorized, condoned, participated in, or concealed actions that are in violation of these standards.
- Supervisors who approve or disregard a violation, or who—through lack of diligent supervision—fail to prevent or report violations.
- Supervisors or others who retaliate, directly or indirectly, or encourage others to retaliate against an employee who reports a violation of these standards.

Harris may from time-to-time revise its policies and/or procedures. In such event, the corresponding provisions contained in this brochure shall be modified accordingly. Nothing in this brochure shall be interpreted to create a contract or guarantee of employment.



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