



Code of Ethics and Business Conduct

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Netcom, Inc.

599 S. Wheeling Road

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Attention: Friends and Co-workers

This Code of Ethics and Business Conduct (the “Code”) sets forth the commitment of Netcom, Inc. to conduct its business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations.

Netcom personnel share the responsibility to protect, preserve and enhance the Company’s strong ethical reputation. However, good intentions are not always enough. The guidelines that follow in the Code as well as the standards outlined in the Electronic Industry Code of Conduct (EICC - http://www.eiccoalition.org/media/docs/EICCCodeofConduct5_English.pdf) state the guiding principles by which Netcom operates the Company and conducts daily business with customers, suppliers, government authorities, business partners, stakeholders, and each other. These principles apply to all employees, consultants, managers, officers and directors.

Thinking about Company principles is very important. It reinforces Netcom’s commitment to values, and it helps the Company focus on the ethical issues that are faced.

The guiding principles stated in this Code are not all-inclusive, and they cannot replace thoughtful behavior. Each individual is personally responsible for applying common sense in recognizing ethical issues and for handling them honestly, directly, and with a commitment to a fair dealing.

Each individual is expected to read this Code carefully, and to abide by its provisions and its spirit. Netcom firmly believes that its reputation and business success depends on the integrity of each and everyone.

E. Argoudelis
President

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1. General

Founded in 1977, Netcom designs and manufactures RF and microwave technologies for military, avionics, telecommunications, and medical applications. Netcom's product lines of electronic components include filters, signal sources, frequency control devices, amplifiers, and custom assemblies. The company is growing into emerging markets, such as Homeland Security and Defense, Next Generation Wireless Communication Systems and Medical Imaging Systems and Netcom wants their customers, suppliers, and employees to have confidence that products supplied by Netcom are developed and manufactured in accordance with the principles outlined in this Code.

This Code does not and cannot cover every situation. Netcom encourages individuals to seek guidance pertaining to any ethical or legal question. If an individual has any doubt about the best course of action or response to a situation, they should contact the Human Resources Administrator or the Contracts Manager depending on the relative subject matter.

2. Electronic Industry Code of Conduct (EICC)

Netcom supports a strong commitment to economic, environmental and socially sustainable development and manufacturing of Netcom's products. It is in a mutual interest of the employees, customers and suppliers to demonstrate responsibility toward the people taking part in the manufacturing process to create safe, healthy and environmentally responsible workplace. As a result of this commitment, Netcom has adopted and continuously promotes the Electronic Industry Code of Conduct.

The Electronic Industry Code of Conduct outlines standards to ensure that working conditions in the electronics industry supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally responsible.

Copy of the code can be accessed <http://www.eiccoalition.org/standards/code-of-conduct/>
More information about EICC can be found at <http://www.eiccoalition.org/about/>

3. Build Trust and Credibility

The success of Netcom's business is dependent upon the trust and confidence earned from Netcom's employees and shareholders. The Company gains its credibility by adhering to Netcom's commitments, displaying honesty and integrity and reaching company goals solely through honorable conduct. It is easy to *say* what the Company must do, but the proof is in Netcom's *actions*. Ultimately, the Company will be judged upon performance.

When considering any action, it is wise to ask: will this build trust and credibility for Netcom? Will it help create a working environment in which Netcom can succeed over the long term? Is the commitment Netcom is making one that can be followed through with? The only way the Company will maximize trust and credibility is by answering

“yes” to those questions and by working every day to build Netcom’s trust and credibility.

4. Respect for the Individual

Individuals deserve to work in an environment where they are treated with dignity and respect. Netcom is committed to creating such an environment because it brings out the full potential in each individual, which, in turn, contributes directly to Netcom’s business success. Netcom cannot afford to let anyone’s talents go to waste.

Netcom is an equal employment opportunity employer and is committed to providing a workplace that is free from discrimination and all types of abusive, offensive or harassing behavior. Any employee who feels harassed or discriminated against is instructed to report the incident to his or her manager or to the Human Resources Department.

5. Create a Culture of Open and Honest Communication

At Netcom everyone is encouraged to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. The Company benefits tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right time.

Netcom will investigate any reported instance of questionable or unethical behavior. In any instance where improper behavior is found to have occurred, the Company will take appropriate action.

6. Set Tone at the Top

Management demonstrates through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, Netcom’s actions are what matters.

To make Netcom’s Code work, managers are responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees’ ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At Netcom, ethics dialogue is encouraged to be a natural part of daily work.

7. Uphold the Law

Netcom's commitment to integrity begins with complying with laws, rules and regulations where the Company does business. Further, each individual must have an understanding of the company policies, laws, rules and regulations that apply to Netcom's specific roles. If an individual is unsure of whether a contemplated action is permitted by law or Netcom policy, the individual is encouraged to seek the advice from the subject matter expert within Netcom's company. Individuals are responsible for preventing violations of law and for speaking up if they see possible violations.

Because of the nature of Netcom's business, some legal requirements warrant specific mention here.

a. Competition

The Company is dedicated to ethical, fair and vigorous competition. The Company will sell Netcom products and services based on their merit, superior quality, functionality and competitive pricing. The Company will make independent pricing and marketing decisions and will not improperly cooperate or coordinate Netcom's activities with Netcom's competitors. The Company will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Netcom or the sales of its products or services, nor will the Company engage or assist in unlawful boycotts of particular customers.

b. Proprietary Information

It is important that the Company and all its individuals respect the property rights of others. The Company will not acquire, or seek to acquire by improper means, a competitor's trade secrets or other proprietary or confidential information. The Company will not engage in unauthorized use, copying, distribution or alteration of hardware, software or other intellectual property.

c. Selective Disclosure

Individuals will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any material nonpublic information with respect to Netcom, its securities, business operations, plans, financial condition, results of operations or any development plan. Individuals should be particularly vigilant when making presentations or proposals to customers to ensure that Netcom's presentations do not contain material nonpublic information.

d. Health and Safety

Netcom is dedicated to maintaining a healthy environment. The Employee Handbook outlines Netcom's safety policies to educate employees regarding safety in the workplace.

8. Avoid Conflicts of Interest

a. Conflicts of Interest

The Company and its individuals must avoid any relationship or activity that might impair, or even appear to impair, Netcom's ability to make objective and fair decisions when performing in any business endeavor. Individuals must never use Netcom relationships, property or information for personal gain.

Below are examples of conflicts of interest which must be addressed:

- Being employed (employee or an immediate member of the employee's family) by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor.
- Hiring (nepotism) or supervising family members or closely related persons.
- Serving as a board member for an outside commercial company or organization.
- Owning or having a substantial interest in a competitor, supplier or contractor.
- Having a personal interest, financial interest or potential gain in any Netcom transaction.
- Placing company business with a firm owned or controlled by a Netcom employee or his or her family.
- Accepting gifts, discounts, favors or services from a customer/potential customer, competitor or supplier, unless equally available to all Netcom employees.

Employees with a conflict of interest question should seek advice from their manager or the Human Resources Department. Further, before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the Human Resources Department.

b. Gifts, Gratuities and Business Courtesies

Netcom is committed to competing solely on a merit of Netcom's products and services. Individuals should avoid any actions that create a perception that favorable treatment by outside entities was sought, received or given. Business courtesy(s) include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom Netcom does or may do business. The Company will neither give nor accept business courtesy that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of Netcom or customers, or would cause embarrassment or reflect negatively on Netcom's reputation.

c. Accepting Business Courtesies

Most business courtesies offered to employees in the course of their employment are offered because of the individual's position at Netcom. Individuals should not feel any entitlement to accept and keep a business courtesy. Although individuals may not use their position at Netcom to obtain a business courtesy, and individual must never ask for them, individuals may accept unsolicited business courtesies that promote successful working relationships and good will with the firms that the individual maintains or may establish a business relationship with.

Employees who award contracts or who influence the allocation of business, who create specifications that result in the placement of business, or who participate in negotiation of contracts must be particularly careful to avoid actions that create the appearance of favoritism or that may adversely affect Netcom's reputation for impartiality and fair dealing. The prudent course of action is to refuse a courtesy from a supplier when the individual is involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesy is the way to obtain Netcom business.

d. Meals, Refreshments and Entertainment

Individuals may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesy from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesy or entertainment from a supplier whose contract is expiring in the near future.

- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesy known by the public.

e. Gifts

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets, candy boxes, and other modest presents that commemorate a special occasion.
- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Generally, employees may not accept compensation, honoraria or money of any amount from entities with whom Netcom does or may do business. Tangible gifts (including tickets to a sporting or entertainment event) that have a market value greater than \$100 may not be accepted unless prior approval is obtained from management.

Employees with questions about accepting business courtesy should talk to their managers or the Human Resources Department.

f. Offering Business Courtesies

Any employee who offers a business courtesy must assure that it cannot reasonably be interpreted as an attempt to gain an unfair business advantage or otherwise reflect negatively upon Netcom. An employee may never use personal funds or resources to do something that cannot be done with Netcom resources. Accounting for business courtesy must be done in accordance with approved company procedures.

Other than to Netcom's government customers, for whom special rules apply, the Company may provide non-monetary gifts (i.e., company logo apparel or similar promotional items) to Netcom's customers. Further, management may approve other courtesies including meals, refreshments or entertainment of reasonable value, provided that:

- The practice does not violate any law or regulation or the standards of conduct of the recipient's organization.
- The business courtesy is consistent with industry practice, is infrequent in nature and is not lavish.
- The business courtesy is properly reflected on the books and records of Netcom.

9. Set Metrics and Report Results Accurately

a. Accurate Public Disclosures

The Company will confirm that all disclosures made in financial reports and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records.

Employees should inform management and the Human Resources Department if they learn that information in any report or public communication was untrue or misleading at the time it was made or if subsequent information would affect a similar future report or public communication.

b. Corporate Recordkeeping

The Company creates, retains and disposes of company records as part of Netcom's normal course of business in compliance with all Netcom policies and guidelines, as well as all regulatory and legal requirements.

All corporate records must be true, accurate and complete, and company data must be promptly and accurately entered in Netcom's books in accordance with Netcom's and other applicable accounting principles.

The Company must not improperly influence, manipulate or mislead any audit, nor interfere with any auditor engaged to perform an internal independent audit of Netcom's books, records, processes or internal controls.

10. Promote Substance Over Form

At Netcom, individuals must have the courage to make difficult choices, secure in the knowledge that Netcom is committed to doing the right thing. At times this will mean doing more than simply what the law requires. Merely because the Company can pursue a course of action does not mean the Company *should* do so.

Although Netcom's guiding principles can not address every issue or provide answers to every dilemma, they can define the spirit in which the Company intends to do business and should guide individuals in Netcom's daily conduct.

a. *Accountability*

Each individual is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if the individual is uncertain about company policy. If the individual is concerned whether the standards are being met or if they are aware of violations of the Code, the individual must contact the Human Resources Department and Senior Management.

Netcom takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

11. *Be Loyal*

a. *Confidential and Proprietary Information*

Integral to Netcom's business success is Netcom's protection of confidential company information, as well as nonpublic information entrusted to Netcom by employees, customers and other business partners. Confidential and proprietary information includes such items as pricing and financial data, customer names/addresses or nonpublic information about other companies, including current or potential supplier and vendors. Individuals will not disclose confidential and nonpublic information without a valid business purpose and proper authorization by management.

b. *Use of Company Resources*

Netcom resources, including time, material, equipment and information, are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace and that it is with prior approval of management.

Employees and those who represent Netcom are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

Generally, the Company will not use company equipment such as computers, copiers and fax machines in the conduct of an outside business or in support of any religious, political or other outside daily activity, except for company-authorized support to nonprofit organizations. Individuals will not solicit contributions, or purchases of goods, nor distribute non-work related materials during work hours.

In order to protect the interests of Netcom and Netcom's employees, Netcom reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or Netcom's Intranet. The Company will not tolerate the use of company resources to create, access, store, print,

solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

Questions about the proper use of company resources should be directed to an individual's manager or the Human Resources Department.

12. Do the Right Thing

Examples of key questions that an individual should ask to ascertain whether a situation may be unethical, inappropriate or illegal:

- Do current actions or anticipated actions comply with the Netcom guiding principles, this Code and company policies?
- Will actions or disclosures misrepresent information or deviate from normal procedure?
- Will the actions embarrass any employees or the Company if discussed at a department or company meeting?
- Will the actions discredit Netcom if they are disclosed to the public or media?
- Are the actions loyal to the company?
- Is this action the right thing to do?

13. Information and Resources

Contracts Manager

Charlie Jones

Human Resources Administrator

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