



Leader Communications, Inc. Ethics Code

I. Introduction

The business sector is comprised of a diverse array of organizations large and small, those that make a profit and those that raise funds from the public; they may operate within the community, at the national level or have global operations. Diversity is the one abiding strength of the business sector. However, supporting this diversity must be a common set of ethical standards. As a fundamental principal, the business community should adhere to the highest of ethical standards because it is the right thing to do. As a matter of pragmatic self-interest, a business should adhere to these standards because trust is the bedrock of a company's legitimacy.

Leader Communications, Inc. (LCI) customers trust us to carry out our mission, to be good stewards of both our and our customer's resources, and to uphold rigorous standards of conduct. We must earn this trust every day and in every possible way. It is up to the people of LCI to demonstrate their ongoing commitment to the core values of integrity, honesty, achievement, commitment, community, and accountability.

Each organization in the business sector should have a formally adopted Ethics Code which all of an organization's staff is familiar with, and more importantly adheres to. The following definitions, Statement of Values, and Ethics Code provide each of us in the LCI family the direction for our ethics journey.

II. Ethics Defined

Ethics has been defined in several ways:

1. The decisions, choices, and actions (behaviors) we make that reflect and enact our values.
2. The study of what we understand to be good and right behavior and how people make those judgments. (From "What is the Difference Between Ethics, Morals and Values?", Frank Navran)
3. A set of standards of conduct that guide decisions and actions based on duties derived from core values. (From "The Ethics of Non-profit Management," Stephen D. Potts)
4. There are many definitions as to what ethics encompasses:
 - The discipline dealing with what is good and bad and with moral duty and obligation
 - Decisions, choices, and actions we make that reflect and enact our values
 - A set of moral principles or values
 - A theory or system of moral values; and/or
 - A guiding philosophy.(From "Creating a Workable Company Code of Conduct," 2003, Ethics Resource Center)

The bottom-line is ethics is a principal of right or good conduct.

III. Ethics Code Defined

Ethics Codes often convey organizational values, a commitment to standards, and communicates a set of ideals. In practice, it is used interchangeably with Code of Conduct.

In 17 USC Section 406(c), the Sarbanes-Oxley Act defines "Ethics Code" as such standards as are reasonably necessary to promote-- (1) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (2) full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by the issuer; and (3) compliance with applicable governmental rules and regulations.

IV. Vision, Mission, and Statement of Values

LCI has a clearly stated vision and mission, approved by the President/Chief Executive Officer (CEO), in pursuit of its business goals. All of its programs support that vision and mission, and all who work for or on behalf of LCI understand and are required to be loyal to that vision and mission. The vision and mission are responsive to the stakeholders served by the organization and of value to society at large.

LCI's Vision and Mission are:

- **Vision** - To become one of the most respected businesses in the United States
- **Mission** - Provide each customer with the best quality information technology and management services

Any Ethics Code is built on a foundation of widely shared values. The values of LCI include:

- **INTEGRITY** – We do the right thing, even when no one is watching
- **HONESTY** – We tell the truth, even when it places us in a less than favorable position
- **ACHIEVEMENT** – We aspire to the highest level of excellence in our products and services
- **COMMITMENT** – We keep our promises to clients, employees, and their families
- **COMMUNITY** – We donate time, money, and resources to local charitable organizations. We build key relationships by supporting our community
- **ACCOUNTABILITY** – We take responsibility for our decisions at the individual and company levels

Our values are simple and straight-forward—reflecting the way we conduct ourselves and the way we do business. These values lead directly to and are an integral part of the Ethics Code for LCI. These values guide the actions that all LCI employees take in performing their duties.

The following components of LCI's Ethics Code directly support and are integral to LCI achieving the goals of our vision and mission.

V. The LCI Ethics Code

A. Personal and Professional Integrity

All personnel of LCI are expected to act with honesty, integrity and openness in all their dealings as representatives of the organization. LCI promotes a working environment that values respect, fairness, and integrity.

B. Governance

LCI has an active governing body that is responsible for setting the mission and strategic direction of the company and oversight of the finances, operations, and policies of the organization. The governing body is made up of the President/CEO, the Chief Operating Officer, the Vice President of Infrastructure and Quality, the Chief Financial Officer, and the Human Resources Director. This group:

- Ensures its managers, supervisors, and staff have the requisite skills and experience to carry out their duties and that all members understand and fulfill their duties acting for the benefit of LCI and its customers
- Has a conflict of interest policy to ensure that any conflicts of interest, or the appearance thereof, are avoided or appropriately managed through disclosure, recusal, or other means
- Is responsible for the hiring, firing, and regular review of the performance of the managers, supervisors, and staff, and ensures the compensation of all personnel is reasonable and appropriate
- Ensures the staff provides the governing body with timely and comprehensive information so the governing body can effectively carry out its duties
- Ensures the organization conducts all transactions and dealings with integrity and honesty
- Ensures the organization promotes working relationships with the staff and customers that are based on mutual respect, fairness, and openness
- Ensures the organization is fair and inclusive in its hiring and promotion policies and practices for all personnel and positions
- Ensures policies of the organization are in writing, clearly articulated, and officially adopted

- Ensures the resources of the organization are responsibly and prudently managed
- Ensures the organization has the capacity to carry out its responsibilities effectively
- Established and supports an Ethics Committee whose responsibilities are to ensure the effective operation of the Ethics Program

C. Legal Compliance

LCI's Managers/Directors and Staff are knowledgeable of and comply with all applicable laws, regulations, and requirements.

D. Responsible Stewardship

LCI's Managers/Directors and Staff manage both LCI resources and customer resources responsibly and prudently.

E. Reporting Fraud, Waste, and Abuse

It is the responsibility of every LCI employee to help protect the assets and resources of LCI and its customers. To accomplish this, each employee is required to report information suggestive of fraud, waste, or abuse activities involving LCI employees, subcontractors, or our customers' employees.

LCI is responsible for investigating reports of suspected wrong doing. These activities include, but are not limited to theft, kickbacks, misuse of funds, misuse of resources, submission of falsified or inflated claims, improper invoicing, improper cost accounting, or conflicts of interest.

Reporting suspected wrong doing can be done in the following ways:

- Their supervisor/manager
- Their department head
- Chad Westfahl, LCI Ethics Committee Chairperson, Phone Toll Free 1-866-LCI-BEST x126 Commercial 1-405-622-2200 x126 or e-mail chad.westfahl@lcibest.com
- Oliver 'Sam' Sammons, LCI Ethics Officer Phone Toll Free 1-866-LCI-BEST x107 Commercial 1-405-622-2200 x107 or e-mail sam.sammons@lcibest.com
- Michael Lyles, President/CEO Phone Toll Free 1-866-LCI-BEST x101 Commercial 1-405-622-2200 x101 or e-mail heymike@lcibest.com
- The Ethics Complaint Phone Line, 1-405-622-2205
- By e-mail at ethics@lcibest.com

U.S. Government customers will immediately be made aware of any reports of fraud, waste, or abuse concerning the contracts they are responsible for administering. The reports will be made as directed by the LCI President/CEO, the LCI COO, the CFO, or the Vice President of Infrastructure and Quality.

F. Openness and Disclosure

LCI provides reasonable information to the public, the media, and all stakeholders, and is responsive in a timely manner to reasonable requests for information. All information supplied about LCI will fully and honestly reflect the policies and practices of the organization. Only those individuals authorized by the leadership of LCI to speak publicly on behalf of our business may do so. All LCI personnel are required to immediately report media contact to their direct supervisors. Disseminating confidential memos, reports, or information to or for use by the media or to a competitor or other third party is unacceptable and unethical behavior.

G. Program Evaluation

LCI continually reviews program effectiveness and has mechanisms to incorporate lessons learned into future programs. LCI is committed to improving program and organizational effectiveness and develops mechanisms to promote learning from its activities and the field. LCI is responsive to changes in its field of activity and is responsive to the needs of its customers and staff.

H. Inclusiveness and Diversity

LCI has a policy of promoting inclusiveness and its staff reflects diversity in order to enrich its effectiveness. LCI takes meaningful steps to promote inclusiveness in its hiring, retention, promotion, and recruitment efforts.

I. Favors, Gifts, and Entertainment

LCI employees may not give or accept gifts, loans or favors of more than \$25 value in connection with their job. If they do receive a gift worth more than a \$25 amount, they must report it to the supervisor and return the gift to the donor. They should direct any question about the value of a gift, given or received, to their supervisor.

Entertaining customers or accepting the entertainment of suppliers is part of normal business practice as long as it is reasonable and will not pose a conflict of interest. When we entertain as part of our job, the purpose and expense must comply with federal and state guidelines.