



ADDENDUM NARDA – STS GmbH GERMANY

Our Code, as well as this addendum is provided as guidance in conducting your L-3 responsibilities. If the Code or this Addendum refers to the female or male form only the other one is always addressed as well. These documents are not intended to be all inclusive. You should seek guidance from your local Ethics Officer as conflicts arise.

The L-3 Code of Ethics and Business Conduct (“Code”) applies to everyone who does business on behalf of L-3 - employees, officers and members of our Board of Directors. It also may apply to agents, consultants, contract labor and others who act on L-3’s behalf. Above all, every L-3 employee must conduct himself or herself in an ethical manner.

Specifically, everyone who represents L-3 will ensure that:

- ✓ Ethical behavior is the foundation by which we conduct our business
- ✓ We do not take advantage, or abuse our position for personal gain or otherwise knowingly violate the law
- ✓ Our actions do not create, directly or indirectly, a conflict of interest
- ✓ We seek guidance when necessary

Requirements

If you are a U.S. citizen working outside of the United States, you are required to abide by United States laws, as well as the laws and regulations of the country in which you are employed. All other individuals may or may not be subject to both U.S. and foreign laws, depending on the circumstances. In situations where you are uncertain about whether a particular law applies, consult with your Manager immediately.

Although most of the Code provisions apply in Germany, there are instances in which German law imposes different requirements. These are described below. In particular, it must be kept in mind that existing shop agreements or individual employment contracts will remain valid and binding insofar as they place further obligations upon the employee.

Federal Acquisition Regulation

Every employee is responsible for keeping the company from incurring damages. Similar to German law, the United States Federal Acquisition Regulation (FAR) contains penalties for companies that – in particular with respect to Government contracts and subcontracts – commit federal criminal law violations. Specifically, the FAR requires mandatory disclosure of credible evidence of federal criminal law violations involving fraud, conflict of interest, bribery, or gratuity violations as well as claims under the Civil False Claims Act and significant overpayments on contracts or subcontracts. This disclosure obligation continues up through three (3) years after contract close-out. If you have the feeling that this is the case in your entity, you are encouraged, and it is expected that you report this to your Ethics Officer or any other competent authority indicated in the Code. Employees who report misconduct are protected from retaliation unless the report is obviously unjustified and malicious.

Providing Gifts and Entertainment

As described in the Code, the Foreign Corrupt Practices Act may have direct consequences for employees in Germany as well in the U.S. In addition, Germany's law on Combating Bribery in International Business Transactions and its regulations are applicable to German employees. Some provisions of this law go even further than the provisions in the Foreign Corrupt Practices Act. If you are in any way directly involved with Government officials in another country, you should seek advice from your manager, the Legal Department, the FCPA-Lead or your local Ethics Officer whenever you are uncertain of proper conduct.

Personal Relationships

Any restraints regarding romantic relationships within a company are unknown to the German legal system. Such a provision would violate the Constitution and be invalid.

However, romantic relationships between senior and subordinate employees may indeed lead to tensions among the staff. In particular the concern may be raised that the subordinate person is no longer judged objectively or even is favored. The following is therefore suggested:

As soon as a romantic relationship exists or develops, the parties are encouraged to consult their manager, the local Ethics Officer or the Corporate Ethics Officer in confidence. The aim of the consultation would be to determine if any conflict of interest may exist and what may be done about this. There will be no sanctions towards employment.

If the Company becomes aware of a romantic relationship that has the potential to affect the employment, it is entitled to transfer one of the employees concerned. Such transfer will not affect the status or salary of the employee. It is not a sanction with respect to employment and is not a moral judgment.

Protecting Privacy

Other than indicated in the Code, access to employee medical files by anyone other than the company physician or the physician's medical staff is permitted only with the express consent of the employee concerned.

Access to personnel records is permitted only to those who are so authorized by the laws of the Federal Republic of Germany. These are - besides the employee - the seniors of the employee and those who have been delegated to keep the records.

Avoiding Conflicts of Interest

This Section of the Code applies to German employees as well. Its obligations are, however, confined to the duration of employment.

In the event that the obligations are intended to remain in force following termination of employment, this will have to be agreed individually in a post employment restriction clause.

Use of Information System Assets

This Section is modified for employees in Germany.

If the use of the internet or your company's e-mail-accounts for private purposes is not permitted, then your company reserves the right to monitor all communications.

If your company does allow the use of the internet or the company's e-mail-accounts for private purposes, such usage may not be monitored.

All other provisions of this Section remain in full force and effect for German employees. This especially means that the safety precautions must be followed.

Import / Export

German companies and German employees have to observe the German import and export regulations. Always contact your manager or your export department if you have questions or are in doubt.

Raising Concerns

For employees in Germany, this Section contains an important modification:

1. HelpLine: The HelpLine of L-3 is not open for German employees. All other resources can and shall be used as indicated in the Code.

Any concern that has been raised will - especially with regard to the person that brought it forward - be dealt with as confidentially as possible. Anonymous notices are not possible, however, as the rights of those who are the subject of the concern need to be preserved.

Acknowledgement of the L-3 Code of Ethics and Business Conduct

The obligations covered by this Code are subject to a Company Directive that your management has passed. Although it is not required, L-3 would highly appreciate your re-affirming your commitment to our Code by signing the acknowledgment statement on the back flap of the L-3 Code of Ethics and Business Conduct book.