



ADDENDUM IRELAND

The L-3 Code of Ethics and Business Conduct (Code), as well as this addendum, is provided as guidance in conducting your L-3 responsibilities. These documents are not intended to be all inclusive. You should seek guidance from the Legal Department as conflicts arise.

The 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 or where you believe that there is a conflict between United States laws and the laws of the country in which you are employed or engaged, consult with your Supervisor or the Legal Department immediately.

Mandatory Obligation to Disclose Certain Misconduct

L-3 is a U.S. head quartered company listed on the New York Stock Exchange. Where the United States Federal Acquisition Regulation (FAR) is applicable, regard should be had to the following:

The US Federal Acquisition Regulation (FAR) requires the 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. This mandatory disclosure obligation continues up through three (3) years after contract close-out. In order to comply with these obligations, all L-3 employees must immediately report any issues that could potentially constitute a violation of criminal or civil law, or significant overpayment on a Government contract or subcontract, to your responsible Ethics Officer or the Corporate Ethics Officer. You may also report these matters through the Ethics Helpline. Reporting of these matters is mandatory, although you may use the Ethics Helpline if you prefer to remain anonymous.

This addendum describes specific areas of Irish law that complement the existing requirements of the Code and is meant to be read in conjunction with the Code. Headings below generally correspond to headings in the Code.

Legality

In order to ensure, through one's business dealings, compliance by the Company with all applicable Irish Government guidelines, Irish and EU legislation, you are required, to the extent that it is within your power, as well as to:

- fulfil all regulatory obligations imposed on the Company;
- cooperate with relevant regulatory and supervisory bodies;
- avoid false, inaccurate or misleading entries in records;
- ensure that taxation and welfare legislation is upheld by the Company;
- ensure one's actions comply with relevant contractual obligations
- encourage effective and fair competition at all times;
- comply with the Company's purchasing and tendering procedures and with prescribed levels of authority for sanctioning any relevant expenditure;
- personally avoid engaging in any illegal or criminal activities (inside or outside working hours);
- comply with controls to prevent fraud including adequate controls to ensure compliance with prescribed procedures in relation to claiming expenses for business travel; and
- comply with the Company's policy on discrimination, harassment, sexual harassment and bullying.

Data Protection and Information Gathering

The Irish Data Protection Act, places certain obligations on the Company and certain individuals regarding personal data and sensitive personal data ("Personal Data") that the Company holds on a computer or in a structured manual file. This information may not just be about employees, but could be about suppliers, contractors, etc. Information may only be used for the purposes for which it is collected. This means that the Company and its employees must, in dealing with Personal Data, with comply with the data protection principles contained in the Act, which include the following:

- to obtain and process information fairly;
- to keep it only for one or more specified and lawful purpose;
- to process it only in ways compatible with the purpose for which it was given initially;
- to keep it safe and secure;
- to keep it accurate and up to date;
- to ensure that it is adequate, relevant and not excessive; and
- to give a copy of personal data to any individual to whom that data relates, on request.

If you wish to have access to your own personal information kept either as manual records or on a computerised system you should request this in writing. The information will be supplied within [four working weeks] and a charge may be levied for this service. From time to time employees will be supplied with a copy of the information held about them and asked to confirm that the details contained in such information are correct.

Gathering information, even if that information is not necessarily confidential or proprietary information of another company – by misrepresenting one's own status as an employee/director of the Company – is a direct breach of this Code of Business Conduct and Ethics, and a violation of the standard set by the company.

Providing Gifts

Under Irish law, bribery is a criminal offence. Sanctions for foreign bribery are severe. Bribery of public officials overseas by Irish companies has been illegal in Ireland since ratification of the OECD Convention on Bribery in 2001, and is punishable by a sentence of up to 10 years imprisonment and an unlimited fine. Since 2005, the Criminal Assets

Bureau ("CAB") has been empowered to confiscate any assets arising from a corrupt payment overseas. In addition, any company found guilty of corruption within the European Union can now be debarred from undertaking any public contract anywhere within the EU.

Security and Confidential Information

Every employee of the Company owes a duty of confidentiality to the Company in respect of sensitive information held by the Company. Sensitive information would include, for example:

- any information relating to the Company which is not public information;
- commercially sensitive/business information (including information relating to business policies or practices);
- any information relating to the Company which is designated by it to be confidential;
- personal information; and,
- information received in confidence by the Company.

Employees are required to ensure that any sensitive information they obtain by reason of their employment is not misused, whether by suppliers, their competitors or competitors of the Company. In order to protect such information employees are required to:

- ensure that such information is properly safeguarded;
- exercise due care in communicating such information;
- avoid using such information for personal gain; and,
- observe appropriate prior consultation procedures with third parties where, exceptionally, Company is obliged by law or any regulatory authority, or otherwise, in the public interest, to disclose sensitive information.

There is no specific Irish law dealing with the issue of industrial or economic espionage in Ireland. In the case of any alleged wrongdoing, injunctions can be sought to prevent the person who obtained information illegally from using it to his advantage. Damages also may be recognized. To protect the Company's confidential information, care must be taken to ensure that the information is properly secured and marked as confidential.

In addition to protecting the intellectual property rights of the Company, all L-3 personnel are expected to respect the valid intellectual property rights of others, such as suppliers and customers. Unauthorised use of their intellectual property rights may expose the Company to legal action, and consequent payment of damages. Theft and misappropriation of intellectual property belonging to others may result in significant fines and criminal penalties both for the Company and for the personnel involved.

Responsibility to Our Colleagues

Within the Employment Equality Acts 1998-2008 and the Equal Status Acts 2000-2008 there are many provisions governing equal treatment of work colleagues. The Equal Status Acts, for example, protect persons against discrimination in providing goods and services, disposing of property, and certain aspects of education; they cover virtually all commercial or service transactions in the public and the private sectors.

There are nine different grounds of discrimination in Ireland under these Acts, as follows:

- Gender
- Family status

- Religious belief
- Marital status
- Sexual orientation
- Age
- Disability
- Membership of the Traveller community
- Race, colour, nationality, ethnic or national origin

Complaints of unlawful discrimination under the legislation will be investigated or mediated by the Equality Tribunal, an impartial and independent state agency charged with administration and interpretation of the law in this area. The Tribunal has authority to hand down fines, to award damages, and to direct companies to follow a particular course of action.

Harassment

Harassment under Irish legislation refers to any form of unwanted conduct related to any of the discriminatory grounds listed above, while sexual harassment refers to any form of unwanted verbal, nonverbal or physical conduct of a sexual nature, in both cases being conduct that has the purpose or effect of violating a person's dignity and creating an intimidating, hostile, degrading, humiliating or offensive environment for the person. Note also that the legislation provides that harassment may be caused not merely by a fellow employee or by an employer, but by a client, customer or other business contact of the victim's employer. And if the circumstances of the harassment are such that the employer ought reasonably to have taken steps to prevent it, then the employer will also be held responsible. A code of practice for employers and employees on sexual harassment and harassment at work was published under the Employment Equality Act 1998 and came into effect in 2002. (See the Equality Authority website – www.equality.ie.)

There is also legislation to prevent bullying in the workplace – bullying is repeated inappropriate behaviour that undermines the right of a person to dignity at work, and it can be verbal, physical or otherwise. A code of practice for employers and employees on the prevention and resolution of bullying at work was published under the Safety, Health and Welfare at Work Act, 2005 and came into effect in May 2007. (See Health and Safety Authority website – www.hsa.ie.)

Employment Legislation

In addition, there is significant employment legislation in Ireland, having a bearing on this Code. This legislation governs provision of information and consultation, maternity and related areas, organisation of working time, leave for an employee, minimum wages, parental leave, protection of young persons, and unfair dismissal. The unfair dismissal legislation provides considerable protection to qualified employees, which would cover most full-time employees working for the same employer for at least one year.

Safety, health, and other matters related to work are covered under the Safety, Health and Welfare at Work Act, 2005 (as amended).

Protecting Privacy – Monitoring Internet Use

The collection, use or storage of information about workers, the monitoring of their email or internet access or their surveillance by video cameras (which process images) involves the processing of personal data and, as such, data protection law applies to such processing. Monitoring by an employer of e-mail and internet use by workers is not currently explicitly covered by Irish data protection law or Irish Employment law.

While employees in Ireland have a legitimate expectation of privacy in the workplace, this right must be balanced with the rights and interests of the employer, and in particular, the right of the employer to run his business efficiently and to protect it from liability or harm that might be caused by an employee's actions.

Declaration of Interest

Section 194 of the Companies Act 1963 requires the disclosure by Directors of the Company of any interest that they may have in contracts or proposed contracts with that company. The Company is required to record all such declarations in a book kept for this purpose. The office of the Director of Corporate Enforcement has a specific right to access to this book. The Office of the Director of Corporate Enforcement has published a "Guide to Transactions involving Directors," which is available on its website (www.odce.ie).

Awareness of Violation

Any director or employee of the Company who has reason to believe that another person within the Company has violated, or may violate, some law, regulation or provision of this Code, must report that information immediately to the appropriate person within the Company, or, if this presents a problem, then to the Corporate Ethics Officer at the address shown in this Code.

Examples of circumstances that should be reported include but are not limited to the following:

- A criminal offence has been, is being or is likely to be committed.
- A person has failed to, or is likely to fail to, comply with a legal obligation.
- The health or safety of any individual has been, is being or is likely to be endangered.
- The working environment has been, is being or is likely to be damaged.
- A miscarriage of justice has happened or is likely to occur.
- You have information tending to show any of the above has been, is being or is likely to be deliberately concealed.

The above listed matters are considered to be 'confidential information', so should not be discussed with or disclosed to other employees or individuals who do not work for us.

By raising concerns, management is afforded the opportunity to address problems – actual or potential. Non-compliance can pose serious risks for the Company and the Group, as well as for customers, shareholders and fellow employees.

Section 26 of the Sex Offenders Act 2001 makes it an offence for a sex offender to "apply for work or to perform a service (including State work or service) which involves having unsupervised access to, or contact with children or mentally impaired people without telling the prospective employer or contractor that you are a sex offender".

Insider Dealing

Under Irish company legislation, there are both criminal and civil penalties for insider dealing/trading. The legislation provides that **unlawful** dealing means dealing in the securities of a company by a person "connected with" that company coming into possession of information which, if it were generally available, would affect that price of

those securities, and disclosing that inside information to another person otherwise than in the ordinary course of the disclosing person's employment or professional duties, or recommending or inducing another person to buy or sell securities to which the inside information relates.

"Dealing" includes acquiring, disposing, subscribing for, or underwriting securities, and agreeing or offering to make an agreement about any of them.

"Securities" means shares and debentures for which dealing facilities are provided on a recognised stock exchange.

"Persons connected with" a company includes its officers, officers of related companies, shareholders in the company and related companies, and persons who might reasonably be expected to have access to and information through professional relationships with the company or through their position as officers of companies that have a shareholding in the company concerned.

The Market Abuse Directive (2003/6/EC) (MAD) was signed into Irish law on 6 July 2005 by part IV of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 (the 2005 Act) and the Market Abuse (Directive 2003/06/EC) Regulations 2005 (the Regulations). These legislative measures combined to create a new common EU framework for preventing, identifying, investigating and sanctioning 'market abuse' to effect increased market integrity and ensure equal treatment throughout the EU securities industry. The implementation of this legislation introduced significant changes for all companies (Irish or foreign) whose shares are traded on the Official List of the Irish Stock Exchange (the ISE), as well as their directors, senior management and advisors.

Public Procurement and Contracting with State/Government Bodies

The European Union Public Procurement Directives apply to supplies of Goods, Services, Works and Utilities by "*Contracting Authorities*" above certain thresholds. Where the threshold figures set out in these Directives are not exceeded, National Procedures must be followed.

European Directives in relation to the supply of Goods, Services, Works and Utilities were consolidated with the enactment of Directive 2004/18/EC ("the Directive") on the co-ordination of procedures for the award of public contracts. The Directive was transposed into Irish Law by the European Communities (Award of Public Authorities Contracts) Regulations 2006. These Regulations came into force on 22nd July 2006.

"*Contracting Authorities*" for the purposes of the European Directives are defined as being "*the State, regional or local authorities, bodies governed by public law, associations formed by one or several of such authorities or one or several of such bodies governed by public law*".

National Procedures apply to all State bodies, both commercial and non commercial, irrespective of the thresholds in question. The National Guidelines on Public Procurement (1994 edition), known as the "Green Book" set out the procedures to be used by government departments, local and regional authorities and other public sector bodies. The Green book states that it "*is a basic principle of Government procurement that competitive tendering should always be used unless exceptional circumstances apply*". The Green Book was largely replaced by the 2004 Public Procurement Guidelines – Competitive Process. In addition to the Green Book/2004 Guidelines, the Government Guidelines for State Bodies and the Code of Practice for the Governance of State Bodies contain further administrative requirements in relation to Public Procurement.

The public procurement regime is grounded on the principles of fairness, transparency, equality and non discrimination, and these principles must be adhered to in evaluating and selecting tenderers. These principles are enforced by the European Court of Justice in its jurisprudence. The same principles are and will be enforced by the Irish Courts.

All contracts with State or local government should be conducted strictly in compliance with European and Irish public procurement law.

Responsibilities to the Community

The basic requirement under Irish law for companies carrying on business, apart from the obvious obligation to comply with all applicable laws and regulations, is to observe the legal maxim that we must so use our own goods so that we do not cause damage to anybody else. This general maxim has been expanded and specified in many different areas of legislation, and particularly in the area of protection of the environment. Protection of the environment under Irish law is the specific remit of the Environmental Protection Authority (EPA), whose stated aim is to improve compliance with environmental legislation in Ireland and to ensure that those who breach the law and cause environmental pollution are brought to account.

Linked with environmental law are the planning laws, so that any development on property requires the approval of the local planning authority, which works in tandem with the EPA on developments that are likely to have a significant impact within the community. The planning legislation provides for taking into account the comments, objections, and other observations of all interested members of the public.

Checklist for Ethical Action

Asking yourself these questions can help to determine if a course of action is ethical:

- Are my actions legal?
- Am I being fair and honest?
- What would be the effect within the Company if everyone did this?
- How would I see it if a third party behaved in this way towards the Company?
- Would failure to act make the present situation worse or allow a "wrong" to continue?
- Would I be comfortable to see my actions reported in a newspaper?
- If I were testifying in court and asked to explain what I had done, how would I respond?