



Q-TECH Corporation Code of Conduct and Business Ethics

Q-TECH Corporation has adopted this Code of Conduct and Business Ethics, which augments the official Company Employee Handbook.

Q-TECH Corporation and its employees must, at all times, comply with all applicable laws and regulations, particularly Federal Acquisition Regulations 3.1000-1004 and 52.203-13 & -14. Q-TECH will not condone the activities of employees who achieve results through violation of the law or unethical business dealings. This includes any payments for illegal acts, indirect contributions, rebates, and bribery. Q-TECH does not permit any activity that fails to stand the closest possible public scrutiny. All business conduct should be well above the minimum standards required by law. Accordingly, employees must ensure that their actions cannot be interpreted as being, in any way, an infringement of the laws and regulations governing Q-TECH's operations.

General Employee Conduct:

The diversity of Q-TECH Corporation's employees is a tremendous asset. Q-TECH is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Q-TECH expects its employees to conduct themselves in a businesslike manner, as outlined in the Company Employee Handbook. It is our policy that all the Company's business shall be conducted in an environment that is not hostile or offensive. Drinking, gambling, fighting, swearing, and similar unprofessional activities will not be tolerated at Q-TECH. Employees must not engage in sexual harassment, or conduct themselves in a way that could be construed as such, for example, by using inappropriate language, keeping or posting inappropriate materials in their work area, or accessing inappropriate materials on their computer.

Work Environment:

Q-TECH strives to provide our employees with a safe and healthful work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all other employees by following health and safety rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Q-TECH must fully comply with all state and federal laws relating to the protection of the environment in the conduct of its business. Employees must use, store and dispose of all hazardous materials properly and in accordance with applicable regulations. Employees must report all incidents where hazardous materials/wastes come in contact with the environment, are improperly handled or disposed of, or when a potential violation of law may exist.

Conflicts of Interest:

Q-TECH Corporation expects that employees will perform their duties conscientiously, honestly, and in accordance with the best interests of Q-TECH. Employees must not use their positions or the knowledge gained as a result of their positions for private or personal advantage.

Outside Activities, Employment, and Directorships:

Employees are encouraged to be active in their communities through volunteer service. Their readiness to help with religious, charitable, educational, and civic activities brings credit to Q-TECH. However, all employees must make sure that their community service does not interfere with or impair their attendance or overall job performance with Q-TECH and does not pose any other conflict of interest.

For those employees who have a second job, it is important that such an outside interest does not interfere in any way with the employee's primary job at Q-TECH. The employee should be careful that extra hours of work do not affect the safe operation of his or her regular job by leaving him or her tired and slow to react. Also, if a second job could create a potential conflict of interest, for example, working for a competitor, the employee is required to obtain written approval, in advance, from the Executive Vice President.

Relationships with Clients and Suppliers:

It is Q-TECH's policy to forbid employees from engaging in any other business which competes with Q-TECH. Also, Company policy forbids a financial interest in an outside concern which does business with or is a competitor of Q-TECH (except where such ownership consists of securities of a publicly owned corporation regularly traded on the public stock market). Rendering of directive, managerial, or consulting services to any outside concern which does business with or is a competitor of Q-TECH, except with the knowledge and written consent of the Executive Vice President of Q-TECH, is also prohibited. If any employees believe there is a possibility that they may have a conflict, it is their responsibility to notify the Executive Vice President and obtain approval in writing.

Contracts with Third Parties:

Q-TECH sometimes uses outside people or organizations to help conduct its business and act on its behalf. Where the actions of such third parties may impact matters described in this Code, third parties are made aware of this Code and are required to ensure compliance herewith. They may be called agents, consultants, independent contractors, distributors, suppliers, or the like.

Gifts, Entertainment, and Favors:

Employees may not request or accept favors, gifts, free services, discounts, entertainment or special considerations of any kind from a customer or supplier, or from any organization with whom Q-TECH is likely to have business dealings, without the express written authorization of the Executive Vice President.

Prohibition against Bribes, Kickbacks, Unlawful Payments, and Other Corrupt Practices

All of Q-TECH's products shall be marketed and sold solely on the basis of price, quality, and service. Employees may not receive payment of any kind, except as authorized under Q-TECH's business and payroll policies. In particular, Q-TECH strictly prohibits the receiving of kickbacks and secret commissions from suppliers or others. Any breach of this rule will result in immediate termination and prosecution to the fullest extent of the law.

Safeguarding Company Assets:

Q-TECH's assets and funds can only be used for legitimate business purposes and each employee must diligently work to protect these assets and funds from theft, misuse and waste. When an employee's position requires spending Q-TECH's funds or incurring any reimbursable personal expenses, that individual must use good judgment on Q-TECH's behalf to ensure that good value is received for every expenditure.

Organization Records and Communications:

Accurate and reliable records of many kinds are necessary to meet Q-TECH's legal and financial obligations and to manage the affairs of the Company. Q-TECH's books and records must reflect in an accurate and timely manner all business transactions. The employees responsible for accounting and recordkeeping must fully disclose and record all assets, liabilities, or both, and must exercise diligence in enforcing these requirements.

Employees must not make or engage in any false record or communication of any kind, whether internal or external, including but not limited to:

- False employment application, medical history record, invoice, paperwork, time sheet, time card, expense report, production report, investigative questionnaires or any other Company document.
- False advertising, deceptive marketing practices, or other misleading representations.
- Misleading or misrepresentation of any credit application or customer credit status to any financial institution.

Any employee found to have violated this rule, including but not limited to an employee who has engaged in resume fraud or who made material misrepresentations or omissions on their employment application, will be subject to immediate termination of employment.

Dealing With Outside People and Organizations:

Employees must take care to separate their personal roles from their Q-TECH positions when communicating on matters not involving Q-TECH business. Employees must not use Q-TECH identification, stationery, supplies, and equipment for personal or political matters.

Unauthorized Interviews - As a means of protecting yourself and Q-TECH, no unauthorized interviews are permitted to be conducted by individuals representing themselves as attorneys, peace officers, investigators, reports, or someone who wants to "ask a few questions". If you are asked questions about Q-TECH or its current or former employees, you are to refer the questioner to your Department Manager. A decision will then be made as to whether that individual may conduct an interview and they will be introduced to you by your Department Manager with a reason for the questioning. Similarly, if you are aware that an unauthorized interview is occurring at

Q-TECH, immediately notify the Human Resources Department or the Executive Vice-President.

Outside Inquiries Concerning Employees - All inquiries concerning employees from outside sources should be directed to Human Resources. No information should be given regarding any employee by any other employee or manager to an outside source.

Prompt Communications:

In all matters relevant to customers, suppliers, government authorities and the public, all employees must make every effort to achieve complete, accurate, and timely communications - responding promptly and courteously to all proper requests for information and to all complaints.

Privacy and Confidentiality:

Q-TECH personnel who learn of confidential business information about Q-TECH or other companies or persons with whom Q-TECH does business, shall keep such information confidential, and shall not disclose such information to third parties without first receiving the proper authority to do so.

Reporting and Accountability:

The Board of Directors is ultimately responsible for applying and interpreting this Code in any particular situation. Q-TECH personnel who become aware of an existing or potential violation of this Code shall notify an Officer or Director promptly. Failure to report a violation of this Code is itself a violation of the Code. In the event an individual believes that an Officer or Director is involved in a violation of this Code, the Executive Vice President should be notified as soon as possible. **No one may retaliate against any person for good faith reports of potential violations of this Code.**