

ADMINISTRATIVE AGREEMENT

This Administrative Agreement ("Agreement"), dated the 24 day of February, 2010 is made between Cape Fox Corporation ("CFC" or "the company") and the United States Department of the Air Force.

PREAMBLE

1. CFC is an Alaska Corporation, organized under the authority of Section 8 of the Alaska Native Claims Settlement Act (43 USC 1601 et. Seq.) and the State of Alaska Corporations Code (A.S. 10.06), with its principal office in Saxman, Alaska.
2. CFC is the owner of two subsidiaries, APM LLC and 1CI Inc, that on September 23, 2009 were suspended from Government contracting and Government-approved subcontracting and from directly or indirectly receiving the benefits of federal assistance programs, pursuant to the procedures contained in the Federal Acquisition Regulation ("FAR") Subpart 9.4 and the Department of Defense FAR Supplement (DFARS) Subpart 209.4. Their suspension was based upon information gained in ongoing criminal investigations of APM LLC and 1CI Inc which have raised serious allegations of fraud, falsification of records, and false representations and certifications in connection with award of government contracts and participation in the U.S. Small Business Administration ("SBA") 8(a) Business Development Program ("8(a) Program"). With respect to CFC, the investigation uncovered a practice of turning over operations of government contracting subsidiaries to outsourced operators of those subsidiaries and then failing to supervise, monitor or otherwise engage in any oversight activity concerning the operations of those subsidiaries despite the existence of "red flags" concerning their operations. This failure by Cape Fox Corporation to supervise its outsourced operators contributed to repeated failures by CFC's government contracting subsidiaries to disclose required information to the SBA, and failure to detect and prevent questionable activity such as the creation of new DUNS and CAGE codes for each APM LLC and 1CI Inc. office without valid business justifications therefor.
3. On or about October 5, 2009, CFC received a request from the Air Force to show cause why it should not be suspended from Government contracting and Government-approved subcontracting and from receiving the benefits of Federal assistance programs which requested CFC to provide information concerning its present responsibility pursuant to the suspension and debarment provisions of FAR Subpart 9.4. In response to this request, CFC has made a number of representations and commitments to the Air Force concerning its present responsibility.

4. The actions and conduct which are the basis of the investigation of APM LLC and 1CI Inc took place while a former manager lead Cape Fox Corporation. The previous manager resigned from Cape Fox Corporation in 2008 and has no current employment or contractual duties with the company. None of the current CFC management team was employed by the company in a management or other position of authority during the time period when the events disclosed in the investigations took place.

5. Cape Fox Corporation has signed a management services agreement with an unrelated third party – Katmai Government Services, and has directed that all contracts and employment arrangements with parties appearing on the Excluded Parties List System, or are otherwise known to be suspended or debarred from doing business with the Federal Government, be terminated.

6. Cape Fox Corporation has expressed an interest in demonstrating that, notwithstanding the misconduct disclosed in connection with the ongoing investigations, Cape Fox Corporation and its managers can be trusted to deal fairly and honestly with the Government and that suspending it from future Government contracting is not a necessary protection in this case. Cape Fox Corporation has agreed to keep in place, a business ethics program, which Cape Fox Corporation voluntarily adopted prior to the date of this Agreement, and has agreed to take other actions as specified herein to assure that Cape Fox Corporation possesses the high degree of business honesty and integrity required of a Government contractor.

7. The Air Force and Cape Fox Corporation agree that FAR 9.407 provides a cause to suspend Cape Fox Corporation based upon (a) the imputation of Cape Fox Corporation's prior manager's conduct to the company, (b) the imputation of the misconduct of APM LLC and 1CI Inc to the company, and (c) Cape Fox's failure to supervise, monitor or otherwise engage in any oversight concerning the operations of APM LLC and 1CI Inc despite numerous "red flags" concerning their operations. The Air Force has further determined, however, that based upon information currently known to the Air Force, Cape Fox Corporation's corrective actions reflected in the terms and conditions of this Agreement provide adequate assurance that Cape Fox Corporation's future dealings with the Government, if any, will be conducted responsibly and that suspension of Cape Fox Corporation is not necessary at this time to protect the Government's interests. The parties, therefore, agree to the terms and conditions set out below.

ARTICLES

1. **PERIOD.** The period of this Agreement shall be for three years from the date the Agreement is signed by the Air Force, or, if the Air Force determines at any time during such three-year period that Cape Fox Corporation has ceased to be in full compliance with the letter and spirit of this Agreement, for a period of three years following re-establishment of full compliance as

determined by the Air Force, with the exception that Cape Fox Corporation's obligation to cooperate with respect to the Government's inquiries, investigations, and prosecutions relating to the ongoing investigation discussed in the Preamble hereto is not limited to three years, but will continue until the Government determines it no longer needs such cooperation, or Cape Fox Corporation and all of its subsidiaries exit the Government contracting and subcontracting business, whichever comes first.

2. **EMPLOYEES.** The word employee(s) in this Agreement includes company officers, permanent, temporary, and contract employees, full-time and part-time employees, consultants, and members of the Board of Directors.

3. **SELF-GOVERNANCE PROGRAMS.** Cape Fox Corporation has implemented and agrees to maintain a self-governance program that includes a business ethics program that covers all employees. The business ethics program shall be maintained so as to ensure that Cape Fox Corporation and each of its employees maintains the business honesty and integrity required of a Government contractor and that Cape Fox Corporation operates in strict compliance with all applicable laws, regulations, and the terms of any contract. Cape Fox Corporation represents that the business ethics program includes the following components:

a. **CENTRAL, HIGH-LEVEL PROGRAM MANAGEMENT.** Cape Fox Corporation has designated David Landis to be the Cape Fox Corporation Ethics Officer ("Ethics Officer"). The Ethics Officer is responsible for managing all aspects of the Cape Fox Corporation business ethics program.

b. **CODE OF BUSINESS ETHICS.** A written Code of Business Ethics ("the Code" or the "Code of Business Ethics") has been adopted by Cape Fox Corporation. A copy of the Code is attached as Exhibit 1 to this Agreement. The Code of Business Ethics has been circulated to each employee of Cape Fox Corporation. After reading the Code, each current employee has been instructed to sign, in a register to be maintained by Cape Fox Corporation and open to inspection by the Air Force, that he or she has read and understood the Code. Cape Fox Corporation shall certify to the Air Force within 30 days after the effective date of this agreement that all employees have signed the register. Thereafter, at least once in each calendar year, each then-current employee shall repeat the procedure of reading the Code and signing the register. As referenced in Article 6, the Code also includes a certification that must be signed annually. In addition, within 30 days of starting employment with Cape Fox Corporation, new employees shall attend a training program, not less than one hour in length administered by the Ethics Officer, during which the terms and conditions of the Code of Business Ethics will be reviewed, and thereafter each new employee shall be required to read the Code and sign the register stating that he or she has read and understood the Code.

c. **INFORMATION AND EDUCATION PROGRAM.** In addition to the

program for new employees detailed in subparagraph b, Cape Fox Corporation shall institute and shall maintain an information and education program designed to assure that all employees are aware of all applicable laws, regulations, and standards of business conduct that employees are expected to follow and the consequences both to the employee and to the company that will ensue from any violation of such measures. Training shall consist of compliance training for affected employees, plus at least one hour of live initial training in the Cape Fox Corporation business ethics program for every Cape Fox Corporation employee, plus, each year for each then-current employee, not less than one additional hour of live ethics training. A schedule and subject outline for the information and education program shall be provided to the Air Force within thirty (30) days of the date of this Administrative Agreement and, when presented to the Air Force, shall be deemed incorporated by reference into this Agreement

d. **LANGUAGES.** All written materials and training related to the business ethics program will be provided in English and in any other language necessary to ensure that each employee understands all elements of any written and oral presentation.

e. **REPORTING AND INFORMATION RESOURCES.** Cape Fox Corporation has posted in prominent places accessible to each of its employees a notice giving the telephone numbers of Cape Fox Corporation's Ethics Officer and Director of Human Resources, and inviting confidential calls to report suspected instances of improper conduct, providing instructions that encourage employees to make such reports, noting that the caller may call a third-party 800 reporting number which will accept anonymous calls, and stating the company's commitment to comply with all applicable laws and regulations in the conduct of its business. A copy of the notice is Exhibit 2 to this Agreement. Cape Fox Corporation also has posted in common work areas a "Hotline" poster prepared by the Inspector General of the Department of Defense providing phone numbers to report fraud, waste, abuse, and/or security violations.

4. **PREFERRED SUPPLIER PROGRAM.** Cape Fox Corporation shall institute a Preferred Supplier Program within 120 days of the effective date of this Agreement. The program shall be designed so as to in some manner reward its suppliers and subcontractors that have instituted and maintain compliance and values based ethics programs.

5. **PERFORMANCE STANDARDS.** Promotion of and adherence to the Cape Fox Corporation business ethics program is an element of each manager and supervisor's written performance standards and each manager and supervisor shall be appraised annually in writing on his or her adherence to and promotion of Cape Fox Corporation's business ethics program. Cape Fox Corporation will submit, as a part of each report to the Air Force pursuant to Article 8, a statement by the Chief Executive Officer ("CEO") that each manager and supervisor has been appraised on his or her adherence to and promotion of Cape Fox Corporation's business ethics program. Moreover, Cape Fox Corporation shall exercise reasonable efforts not to include as a principal

(including any manager or supervisor) any individual whom due diligence would have exposed as having engaged in conduct that is in conflict with Cape Fox Corporation's Code of Business Ethics and to take appropriate action to remove any individual from a principal, management, or supervisory position who engages in such conduct, as provided in Article 17 of this Agreement.

6. ETHICS CERTIFICATES. Each employee of Cape Fox Corporation will be subject to an annual certification requirement to attest that he or she (a) has attended a live training session concerning the content and application of the company's business ethics program; (b) understands that strict adherence to the law, the Code of Business Ethics, and the principles of the business ethics program is a condition of employment; and (c) understands that Cape Fox Corporation will take disciplinary action, including discharge, for any violation of law, the Code of Business Ethics, the principles of the business ethics program, or basic tenets of business honesty and integrity, or failure to take reasonable steps to prevent or detect improper conduct. The certificate used to fulfill this requirement is included in the Code of Business Ethics, a copy of which is attached as Exhibit 1. Cape Fox Corporation will submit, as a part of each report to the Air Force pursuant to Article 8, affirmation by the CEO that the certifications required by this Article are being maintained and that each then current employee has provided a certification as required by this provision. The certificates shall be maintained and available for the Air Force's review and inspection during the life of this Agreement.

7. CHIEF EXECUTIVE OFFICER RESPONSIBLE. The CEO of Cape Fox Corporation shall be responsible for ensuring that the company establishes a business ethics program and that the Code of Business Ethics is maintained and updated as necessary, as well as providing for periodic audits of Cape Fox Corporation's business practices, procedures, policies and internal controls for compliance with this Agreement, as provided hereunder, the Code of Business Ethics and the special requirements of Government contracting, including monitoring and auditing to detect criminal conduct, periodic evaluation of the effectiveness of the business ethics program and periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement or modify the business ethics program as necessary to reduce the risk of criminal conduct as identified through this process. Cape Fox Corporation's Ethics Officer shall report to the CEO in person and in writing not less than quarterly concerning Cape Fox Corporation's Ethics Program and compliance with this Agreement. The CEO shall take whatever actions are appropriate and necessary to ensure that Cape Fox Corporation conducts its activities in compliance with the requirements of the law and sound business ethics. Cape Fox Corporation shall provide to the Air Force copies of such written reports in accordance with Article 8.

8. MONITOR AND REPORTS. Richard J. Bednar (Monitor), retained in his individual capacity through the firm of Contractor Integrity Solutions, LLC, shall monitor the compliance of Cape Fox Corporation (the "Corporation") with the terms and conditions of this agreement.

1. Initial Information to Monitor: Cape Fox Corporation shall, within thirty (30) days of the effective date of this agreement, provide the monitor with:

a. A complete description of the Corporation's corporate structure, the names and positions of its officers and managers, the identity of all affiliates and business units, and a listing of all current federal government contracts. ("Corporate/Contractor Report");

b. Copies of any documents or reports submitted by the Corporation to any government investigating agency, or received from such agencies, regarding the Corporation's status as an Alaska Native Corporation or Small Business Administration 8(a) firm, or regarding any other status of Corporation or any related entity under any federal procurement program.

c. Contact information for the officers, senior managers and directors at the Corporation, including names, titles, telephone numbers, and email addresses.

2. Review of the Compliance and Business Ethics Program: Within sixty days of the date of the effective date of this Agreement, the Monitor shall perform a review of the Corporation's government contracts compliance and business ethics program and submit a report of such review to the Corporation and the Air Force Debarring Official with findings and recommendations for changes that seem appropriate. The Monitor's report shall address all the requirements stated in this Agreement as well as all applicable portions of FAR 3.1002, 3.1003, 9.406-2 (c) (vi), and 52.203-13.

a. The Monitor shall issue the report without first discussing its proposed conclusions with the Corporation or its representatives.

b. The Corporation shall provide the Corporation's action plan for implementing any recommended changes to the Air Force and the Monitor within one month following the Corporation's receipt of the report. This process shall be completed promptly so that the Corporation's action plan is furnished to the Air Force not later than three months after the effective date of this Agreement. A second such review and report shall be completed by the Monitor not later than eighteen months after the effective date of this agreement.

3. Monitor's Right of Inquiry and Review: The Monitor shall, during the period of retention as Monitor, be permitted to communicate with any employee, principal or director of the Corporation regarding any issue pertaining to the present responsibility of the Corporation. The Corporation commits to cooperate in good faith with any such communications, and to provide, or to have provided, copies of any documents relating to any such communications within a reasonably prompt time.

4. Periodic Reports: At the end of the first complete calendar quarter following the execution of this Agreement, and thereafter at six-month intervals (each respectively, "the reporting period"), the Monitor and the CEO of the Corporation shall each submit a written report to the Air Force, with copies to each other, describing the measures taken by the Corporation during the reporting period to implement the business ethics program called for by this Agreement and by any applicable law, and to ensure compliance with this Agreement, as well as ensuring that the Corporation is presently responsible for Government contracting and subcontracting (the "periodic reports"). The reports shall be submitted in time to be received at the Air Force within twenty days of the end of the reporting period. Notwithstanding such requirements, the final report shall be submitted not later than one month prior to the final day of this Agreement as it relates to reporting requirements. The reporting dates are deadlines for receipt at Air Force Headquarters. Cape Fox Corporation's failure to meet these requirements on or before the dates agreed to shall constitute a breach of this Agreement. The duty of the Corporation to timely submit its periodic reports is independent of the duty of the Monitor to timely submit their reports. The Monitor may, as appropriate, comment upon any prior periodic report submitted by the Corporation, and may make any additional reports to the Air Force and/or other government representatives, oral or written (although written is preferred), with or without notice to the Corporation, which they conclude, in their independent discretion, are appropriate.

The periodic reports submitted by the Corporation and, as applicable, by the Monitor, shall include:

- a. Standards of conduct/ethics/compliance training conducted, subject matter covered, and the number and employment rank or status of persons who attended.
- b. Informal notifications or initiatives relating to the business ethics program.
- c. Information otherwise required by this Agreement.
- d. A statement of any problems or weaknesses identified in compliance audits, corrective actions proposed or initiated, and the status of any corrective action.
- e. A statement by the CEO verifying that the register referenced in Article 3.b. is being maintained and that each employee has signed the register as required by this provision.
- f. A report identifying all reports made to the Corporation of alleged misconduct (regardless of subject matter and regardless of method of reporting), and any instances of suspected misconduct otherwise brought to the attention of

management during the preceding quarter. Such reports shall summarize the alleged facts of each matter, stating the date and source (generically identified only as employee, consultant, outsider, etc.), medium of the report, the date and nature of the reported conduct, type and results of any internal investigation, corrective and/or disciplinary action and date of feedback to the source of the information. Matters pending resolution at the time of a reporting period shall be reported each quarter until final resolution of the matter is reported. If the Corporation has received no reports, the Corporation shall report that fact. For purposes of this Article, the Corporation may summarize the matters reported. The complete Corporation files on each case, however, shall promptly be made available to the Monitor and the Air Force upon request.

g. A report identifying all DUNS and CAGE codes in use throughout Cape Fox Corporation's organization, including its subsidiaries, along with the business justifications therefor, and any update regarding efforts to consolidate these codes to a commercially justifiable number.

9. MANAGEMENT. The principal members of Cape Fox Corporation's management on the date of execution of this Agreement by Cape Fox Corporation are Michael E. Brown, CEO, David K. Moran, CFO, Debbie Smith CAO, and William K. Walker, General Counsel. Cape Fox Corporation agrees to notify the Air Force within one week if any of these principals leaves his or her current position and to provide the name of the successor to the Air Force upon appointment.

10. LEGAL PROCEEDINGS. Cape Fox Corporation represents to the Air Force that, to the best of Cape Fox Corporation's knowledge, Cape Fox Corporation has disclosed in writing all criminal or civil investigations by any Governmental entity. In addition to the periodic written reports required under Article 8, Cape Fox Corporation shall notify the Air Force and the Monitor within two working days of the time Cape Fox Corporation learns of: (a) the initiation of any additional criminal or civil investigation by any federal, state, or local government entity involving allegations of Foreign Corrupt Practices Act, false statements, false claims, corruption, conflict of interest or anti-trust violations, if Cape Fox Corporation has reason to believe that it is a target or subject of such investigation; (b) service of subpoenas by any such governmental entity, if Cape Fox Corporation has reason to believe that it is a subject or target of the investigation; (c) service of search warrants and/or searches carried out in any Cape Fox Corporation facility; (d) initiation of legal action against Cape Fox Corporation, or any of its affiliates, employees, or agents by any entity alleging violations of the Foreign Corrupt Practices Act, false statements, false claims, corruption, conflict of interest, or anti-trust violations; or (e) criminal charges brought by any governmental entity against Cape Fox Corporation or any of its affiliates, employees, or agents,

relating to the business of Cape Fox Corporation. Cape Fox Corporation shall include in its reporting information for Cape Fox Corporation itself, as well as for any subsidiary of Cape Fox Corporation that engages in Government contracting or subcontracting, as defined in FAR 9.403. Cape Fox Corporation shall provide to the Air Force as much information as necessary to allow the Air Force to determine the impact of the investigative or legal activity upon the present responsibility of Cape Fox Corporation for Government contracting. Cape Fox Corporation shall fully cooperate with any Government agencies responsible for audits, investigations, or corrective actions.

11. COOPERATION. Cape Fox Corporation shall cooperate, to the extent requested by the Government, in any Government inquiry, investigation, or prosecution relating to the 8(a) Program, or relating to service providers dealing with 8(a) Program companies (including companies that graduated from that program), whether ongoing at the time or, or commenced subsequent to, execution of this Agreement. Such cooperation shall include, but not be limited to, taking all reasonable steps to make available for interviews any current and/or former Cape Fox Corporation officers, employees or consultants (including current and/or former officers, employees and consultants of Cape Fox Corporation subsidiaries), to encourage interviewees to participate fully in those interviews, to provide documents and, if any additional affiliations or connections between Cape Fox Corporation become known in the future, taking all reasonable steps to sever those affiliations. In addition, Cape Fox Corporation agrees to make its current and/or former executives, employees, and consultants (as appropriate) available to testify on behalf of the Government in any criminal or civil proceeding arising out of the investigation(s) described above. With respect to Cape Fox Corporation's efforts regarding former officers and employees and its consultants (current or former), it is understood that these individuals may be represented personally by counsel and that Cape Fox Corporation does not have the ability to require particular behavior by its former officers, employees or any consultants. The obligation to cooperate under this Article 11 is not limited by the three-year term of this Agreement, but will continue until the Government determines it no longer needs such cooperation, or until Cape Fox Corporation and all of its subsidiaries are no longer involved in the Government contracting or subcontracting business, whichever comes first.

12. MEETING. Between five and seven months after the effective date of this Agreement, and again no later than four months prior to the termination of this Agreement, the CEO of Cape Fox Corporation shall meet with the Air Force Deputy General Counsel for Contractor Responsibility or a designee to discuss implementation and compliance of this Agreement, and the status of the business ethics program.

13. BUSINESS ETHICS PROGRAM REVIEW. Cape Fox Corporation represents that it has engaged an independent party that is acceptable to the Air Force to perform a review of its business ethics program, and that such review will be concluded within two months following the execution of this Agreement. Cape Fox Corporation shall require the independent party to prepare a report for Cape Fox Corporation evaluating Cape Fox Corporation's business ethics program and

recommending any changes that seem appropriate. Cape Fox Corporation shall direct the independent party to issue the report to Cape Fox Corporation and to the Air Force without first discussing its proposed conclusions with Cape Fox Corporation. Cape Fox Corporation shall provide Cape Fox Corporation's action plan for implementing any recommended changes to the Air Force within one month following Cape Fox Corporation's receipt of the report. This process shall be completed promptly so that Cape Fox Corporation's action plan is furnished to the Air Force not later than three months after the effective date of this Agreement. Cape Fox Corporation shall cause a second such review of Cape Fox Corporation's business ethics program to be conducted and a report to be prepared and submitted to the Air Force not later than 30 months after the effective date of this Agreement.

14. SELF-GOVERNANCE PROGRAM AUDIT. At least once each calendar year, Cape Fox Corporation shall conduct an internal audit of Cape Fox Corporation's business practices, procedures, policies, and internal controls for compliance with this Agreement, the Code of Business Ethics, and the special requirements of Government contracting, including monitoring and auditing to detect criminal conduct, periodic evaluation of the effectiveness of the business ethics program and periodic assessment of the risk of criminal conduct, with appropriate steps to design, implement or modify the business ethics program as necessary to reduce the risk of criminal conduct as identified through this process. The results of the audits (which will be done independently of its Ethics Officer) shall be furnished to the Air Force and Monitor with the reports submitted pursuant to Article 8.

15. LIST OF AUDIT REPORTS. In addition to audit reports elsewhere required by this Agreement, Cape Fox Corporation agrees to provide the Air Force with a list of all internal and external audit reports, regardless of source, otherwise relating to Cape Fox Corporation and either generated by or received by Cape Fox Corporation during the reporting period covered by the current Article 8 report. Cape Fox Corporation shall include in the list reports generated as a result of customer or Government surveys of Cape Fox Corporation.

16. REPORTS OF MISCONDUCT. In addition to the routine reports of misconduct required by Article 8.d. and any disclosure to the agency Office of the Inspector General and the contracting officer required by FAR 3.1003(2) and, as applicable, the contract clause set out in FAR 52.20313, Cape Fox Corporation shall report to the Air Force and the Monitor, within 15 days of discovery by management, any suspected misconduct that management has reasonable grounds to believe may constitute a violation of criminal or civil law. The misconduct to be reported pursuant to this Article includes misconduct by any person, including, but not limited to, Cape Fox Corporation, Cape Fox Corporation's subcontractors, suppliers, and employees, as defined herein, and Government employees, when related to the conduct of Cape Fox Corporation's businesses, and

shall include misconduct disclosed to Cape Fox Corporation from any source relating to Cape Fox Corporation's business. Cape Fox Corporation will investigate all reports of such misconduct that come to its attention and will notify the Air Force of the outcome of such investigations and any potential or actual impact on any aspect of Cape Fox Corporation's Government business. Cape Fox Corporation will take corrective action, including prompt restitution of any harm to the Government, Cape Fox Corporation will include summary reports of the status of each such investigation to the Air Force in the reports submitted pursuant to Article 8 until each matter is finally resolved.

17. LETTERS TO SUPPLIERS AND SUBCONTRACTORS. Within 14 days of the execution of this Agreement, Cape Fox Corporation will distribute to every supplier and subcontractor to Cape Fox Corporation, to the extent they are used, a letter from Cape Fox Corporation's CEO, (1) emphasizing Cape Fox Corporation's commitment to procurement integrity, (2) asking suppliers and subcontractors not to offer to give anything of value to Cape Fox Corporation's employees, (3) stating that Cape Fox Corporation employees are not allowed to give to or receive from Cape Fox Corporation's suppliers and subcontractors anything of value, (4) asking suppliers and subcontractors to report to the Ethics Officer any improper or illegal activity by Cape Fox Corporation's employees, and (5) informing them of the telephone number for Cape Fox Corporation's Ethics Officer and for the Hotline. Cape Fox Corporation shall furnish the Air Force with a copy of that letter. The prohibition on offering or giving anything of value in items (2) and (3) above does not include modest items of food and refreshments, such as soft drinks, coffee and donuts, offered other than as part of a meal; nor does it include greeting cards or promotional items of modest value, such as t-shirts, baseball caps, calendars or planners. The prohibition also does not include supplies or services that may be provided to Cape Fox Corporation free of charge or at a reduced charge for evaluation.

18. EMPLOYMENT OF SUSPENDED OR DEBARRED INDIVIDUALS. Cape Fox Corporation shall not knowingly employ, with or without pay, an individual who is under indictment, convicted, or listed by a Federal Agency as debarred, suspended, or otherwise ineligible for Federal programs. A copy of the policy is attached as Exhibit 3. In order to carry out the policy, Cape Fox Corporation shall make reasonable inquiry into the status of any potential employee or consultant. Such reasonable inquiry shall include, at a minimum, review of the General Services Administration's ("GSA") List of Parties Excluded from Federal Procurement and Non-procurement Programs as maintained by GSA on the internet. Cape Fox Corporation's policy does not require Cape Fox Corporation to terminate the employment of individuals who are indicted or become suspended or are proposed for debarment during their employment with Cape Fox Corporation. Cape Fox Corporation, however, will remove such employees from responsibility for or involvement with Cape Fox Corporation's business affairs until the resolution of such suspension or proposed debarment. In addition, if any employee of Cape Fox Corporation is charged with a criminal offense relating to business or otherwise relating to honesty and integrity, Cape Fox Corporation will remove that employee immediately from responsibility for or involvement with Cape Fox Corporation's

business affairs. If the employee is convicted or debarred, Cape Fox Corporation policy requires that the employee will be terminated from employment with Cape Fox Corporation. Cape Fox Corporation shall notify the Air Force of each such personnel action taken, and the reasons therefore, within 15 days of the action.

19. BUSINESS RELATIONSHIPS WITH SUSPENDED OR DEBARRED ENTITIES.

Aside from Cape Fox Corporation's corporate relationships that have been disclosed to the Air Force, Cape Fox Corporation shall not knowingly form a contract with, purchase from, or enter into any business relationship with any individual or business entity that is listed by a Federal Agency as debarred, suspended, or proposed for debarment. A copy of the policy is attached as Exhibit 4. To effectuate this policy, Cape Fox Corporation shall make reasonable inquiry into the status of any potential business partner, to include, at a minimum, review of the GSA's List of Parties Excluded from Federal Procurement or Non-procurement Programs including the version of this list maintained by GSA on the internet. Notwithstanding any other provision of this Article, Cape Fox Corporation may enter into a business relationship with a suspended or debarred contractor, if the CEO first determines in writing that a compelling reason justifies the action and furnishes to the Air Force Deputy General Counsel for Contractor Responsibility and the Monitor a copy of the determination not less than 10 days prior to Cape Fox Corporation entering into such a business relationship. A schedule of all existing business relationships with suspended or debarred entities, current as of the effective date of this Agreement, is contained in Exhibit 5. Cape Fox Corporation shall not enter into a business relationship, or continue an existing business relationship, with a suspended or debarred entity if the Air Force objects. In addition to the provisions of this Article, Cape Fox Corporation shall comply with the requirements of FAR 9.405-2(b) and provide to the Air Force Deputy General Counsel for Contractor Responsibility a copy of the documents submitted to the contracting officer pursuant thereto.

20. PROPOSED CHANGES. Cape Fox Corporation shall notify the Air Force of any proposed changes in the directives, instructions, or procedures implemented in furtherance of Cape Fox Corporation's business ethics program and compliance with this Agreement. The Air Force, or its authorized representative, retains the right to verify, approve, or disapprove any such changes. No such changes shall be implemented without the prior approval of the Air Force.

21. ACCESS TO RECORDS AND INFORMATION. In addition to any other right the Air Force may have by statute, regulation, or contract, the Air Force or its duly authorized representative and the Monitor may examine Cape Fox Corporation's books, records, and other company documents and supporting materials for the purpose of verifying and evaluating: (a) Cape Fox Corporation's compliance with the terms of this Agreement; (b) Cape Fox Corporation's business conduct in its dealings with all of its customers, including the Government; (c) Cape Fox Corporation's compliance with Federal laws, regulations, and procurement policies and with accepted business practices; and (d) Cape Fox Corporation's compliance with the requirements of Government contracts or subcontracts. The materials described above shall be made available by

Cape Fox Corporation at all reasonable times for inspection, audit, or reproduction. Further, for purposes of this provision, the Air Force or its authorized representative may interview any Cape Fox Corporation employee at the employee's place of business during normal business hours or at such other place and time as may be mutually agreed between the employee and the Air Force. Employees will be interviewed without a representative of Cape Fox Corporation being present. The employee may be represented personally by his own counsel if requested by the employee.

22. **COSTS OF REVIEW.** Cape Fox Corporation has paid to the Air Force \$40,000, which Cape Fox Corporation acknowledges covers the cost of the Air Force's independent review of this matter and of administering this Agreement.

23. UNALLOWABLE COSTS.

a. Cape Fox Corporation agrees that all costs, as defined in FAR 31.205-47, incurred by, for, or on behalf of Cape Fox Corporation or any Cape Fox Corporation current or former officer, director, agent, employee, consultant, or affiliate shall be considered to be expressly unallowable costs, in accordance with the requirements of FAR 31.201-6, for Government contract accounting purposes. Unallowable costs include, but are not limited to, costs arising from, related to, or in connection with (a) the matters at issue here, (b) the Government's criminal and civil investigations regarding the matters at issue here, and (c) the Air Force's independent review of Cape Fox Corporation's present responsibility, including the costs of the company's submissions, presentations, and appearances before the office of the Air Force Deputy General Counsel for Contractor Responsibility. Cape Fox Corporation's costs of performing and administering the terms of this Agreement and any fines or penalties levied or to be levied in or arising out of the matter at issue here are agreed to be expressly unallowable costs. Also unallowable are Cape Fox Corporation's costs of bringing Cape Fox Corporation's self governance, compliance, and/or ethics programs to a level acceptable to the Air Force. Cape Fox Corporation agrees to account separately for such costs. Cape Fox Corporation's present and future costs of maintaining, operating, and improving Cape Fox Corporation's corporate self governance/ compliance/ethics programs are allowable costs for purposes of this Agreement.

b. Cape Fox Corporation recognizes that in order to comply with the terms of this Article, certain costs may need to be reclassified. As and when required, Cape Fox Corporation shall proceed immediately to identify and reclassify such costs and, within 90 days of the effective date of this Agreement, Cape Fox Corporation shall adjust any bid rate, billing rate, or unsettled final indirect cost rate pools to eliminate any costs made unallowable by this Agreement, and shall advise the Air Force, the cognizant administrative contracting officer, and the cognizant Government auditor of the amount and nature of the reclassified costs within 120 days of the date of this Agreement. The Air Force or a designated representative shall have the right to audit Cape

Fox Corporation's books and records to verify compliance with this Article. Such audit rights shall be in addition to any audit rights the Government may have under the terms of any contract with Cape Fox Corporation.

24. ADVERSE ACTIONS. Cape Fox Corporation avers that adverse actions taken, or to be taken, by Cape Fox Corporation against any employee or other individual associated with Cape Fox Corporation or any Cape Fox Corporation subsidiary arising out of or related to the wrongdoing at issue here are solely the result of Cape Fox Corporation's initiatives and decisions and are not the result of any action by, or on behalf of, agents or employees of the United States.

25. NO SUSPENSION OR DEBARMENT. Provided that the terms and conditions of this Agreement are faithfully fulfilled, the Air Force will not suspend or debar Cape Fox Corporation based on the facts and circumstances set forth in the existing administrative record presented to Cape Fox Corporation, Cape Fox Corporation's submissions to the Air Force up to the effective date of this Agreement, the Preamble herein, or any indictment, plea agreement or conviction arising solely out of such facts and circumstances (the "Existing Action"). Notwithstanding the Air Force's decision not to suspend or debar Cape Fox Corporation upon the facts at issue here shall not restrict the Air Force or any other agency of the Government from instituting administrative actions, including, without limitation, suspension or debarment should other information indicating the propriety of such action come to the attention of the Air Force or such other agency, or additional information concerning the facts at issue here is discovered by the Government, which facts were not disclosed by Cape Fox Corporation or by the exercise of reasonable diligence could not have been discovered by the Government as of the date of this Agreement.

26. PRESENT RESPONSIBILITY. Cape Fox Corporation's compliance with the terms and conditions of this Agreement shall constitute an element of Cape Fox Corporation's present responsibility for Government contracting. Cape Fox Corporation's failure to meet any of its obligations pursuant to the terms and conditions of this Agreement constitutes a separate cause for suspension and/or debarment of Cape Fox Corporation. By entering into this Agreement, the Air Force is not determining that Cape Fox Corporation is presently responsible for any specific Government contract.

27. NOTIFY EMPLOYEES. Cape Fox Corporation will notify all Cape Fox Corporation employees of the fact and substance of this Agreement, the nature of the wrongdoing leading to this Agreement, and the importance of each employee's abiding by the terms of this Agreement and all requirements of law, regulations, and Cape Fox Corporation policies and procedures.

28. SALE OF CAPE FOX CORPORATION BUSINESSES. In the event that Cape Fox Corporation sells or in any way transfers ownership of any part of its business, Cape Fox Corporation shall notify the Air Force in advance and the successor in interest or transferee shall remain bound by the terms of this Agreement for the duration of this Agreement.

29. CAPE FOX CORPORATION PURCHASE OF BUSINESSES. In the event that Cape Fox Corporation purchases or establishes new business units after the effective date of this Agreement, Cape Fox Corporation shall incorporate all provisions of this Agreement into the new businesses), including any training or education requirements, within 60 days following such purchase or establishment.

30. WAIVER. Cape Fox Corporation hereby waives all claims, demands, or requests for monies from the Government, of any kind or of whatever nature, that Cape Fox Corporation and its subsidiaries may have or may develop in the future arising from, related to, or in connection with, any investigation, or as a result of administrative or judicial proceedings, or request for any other relief in law or in equity, or in any other forum be it judicial or administrative in nature arising out of or relating to the facts that gave rise to the suspension..

31. RELEASE. Cape Fox Corporation and its subsidiaries hereby release the United States, its instrumentalities, agents, and employees in their official and personal capacities, of any and all liability or claims arising out of or related to the investigation, criminal prosecution, or civil settlement at issue here, or the suspension, proposed debarment, or debarment of Cape Fox Corporation or any of its subsidiaries or the discussions leading to this Agreement.

32. ARTICLE HEADINGS. The Article headings in this Agreement are inserted for convenient reference only and shall not affect the meaning or interpretation of this Agreement.

33. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which taken together, shall constitute one and the same agreement.

34. AIR FORCE RELIANCE. Cape Fox Corporation represents that all written materials and other information supplied to the Air Force by its authorized representative during the course of discussions with the Air Force preceding this Agreement are true and accurate, to the best information and belief of the Cape Fox Corporation signatories to this Agreement. Cape Fox Corporation also represents that it has provided to the Air Force all information, in its possession relating to the facts at issue. Cape Fox Corporation understands that this Agreement is executed on behalf of the Air Force in reliance upon the truth, accuracy, and completeness of all such representations.

35. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, whether oral or written, relating to the subject matter hereof. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

36. RESTRICTION ON USE. Cape Fox Corporation shall not use any term of this Agreement or the fact of the existence of this Agreement for any purpose related to the defense or litigation of, or in mitigation of any criminal, civil, or administrative investigation or proceeding.

37. BANKRUPTCY. Bankruptcy proceedings shall not affect the enforcement of this Agreement in the interests of the Government.

38. AUTHORIZED REPRESENTATIVE. Michael E. Brown as CEO of Cape Fox Corporation Federal Contracts Group is authorized to execute this Agreement and represents that he has the authority to bind Cape Fox Corporation.

39. SEVERABILITY. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect other provisions of this Agreement.

40. NOTICES. Any notices, reports, or information required hereunder shall be in writing and delivered or mailed by registered or certified mail, postage prepaid, or by trackable expedited delivery service, as follows:

If to Cape Fox Corporation, to: Michael E, Brown
Chief Executive Officer
Cape Fox Corporation
711 H Street, Suite 330
Anchorage, Alaska 99501

If to the Air Force, to: Deputy General Counsel for Contractor Responsibility
SAF/GCR
4040 N. Fairfax Drive

Suite 204

Arlington, VA 22203-1613

or such other address as either party shall have designated by notice in writing to the other party.

41. **PUBLIC DOCUMENT.** This Agreement, including all attachments and reports submitted pursuant to this Agreement, is a public document and may be distributed by the Air Force throughout the Government as appropriate and to other interested persons upon request.

42. **MODIFICATION.** This Agreement may be amended or modified only by a written agreement signed by both of the parties.

CAPE FOX CORPORATION



By: Michael E. Brown, CEO
Cape Fox Corporation

Dated: 2-22-10

DEPARTMENT OF THE AIR FORCE



By:

Dated: 2/24/10

LIST OF EXHIBITS

EXHIBIT 1: Ethics Code, Including Ethics Certificate

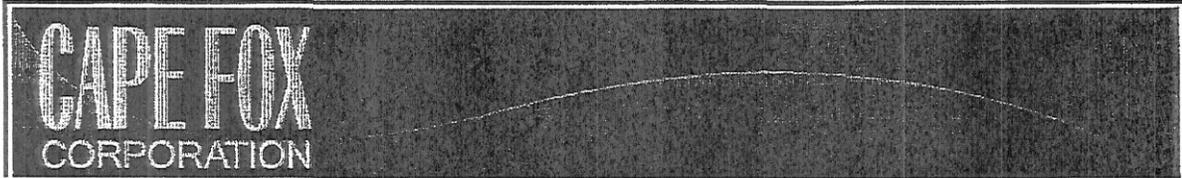
EXHIBIT 2: Notice re: Ethics Compliance Officer Contact Information & Hotline Poster

EXHIBIT 3: Employment Policy Regarding Criminal and Ineligible Persons

EXHIBIT 4: Business Policy Regarding Ineligible Parties

EXHIBIT 5: Schedule of All Existing Business Relationships with Suspended or Debarred Entities

EXHIBIT 1: Ethics Code, Including Ethics Certificate



**Code of Ethics and
Business Conduct
December 19, 2009**

Dear Colleague:

This document, the Cape Fox Corporation Code of Ethics and Business Conduct, has been adopted by the Cape Fox Corporation (CFC) Board of Directors as its Code of Ethics and Business Conduct. It summarizes the virtues and principles that are to guide our actions in business. It applies to CFC, together with its operating companies and subsidiaries. We expect our agents, consultants, contractors, representatives, and suppliers to be guided by them as well.

There are numerous resources available to assist you in meeting the challenge of performing your duties and responsibilities. There can be no better course of action for you than to apply common sense and sound judgment to the manner in which you conduct yourself. However, do not hesitate to use the resources that are available whenever it is necessary to seek clarification. These resources may include a Business Ethics and Compliance Officer who is always available to answer your questions, and receive any reports of concerns of improper conduct by others. Any reporting of this nature is done confidentially and without retaliation. If you have any questions about the role of the Business Ethics and Compliance Office or contact information, simply contact any supervisor or the Human Resources Department.

CFC aims to set the standard for ethical business conduct. We will achieve this through six virtues: Honesty, Integrity, Respect, Trust, Responsibility, and Citizenship.

Treat in an Ethical Manner Those to Whom CFC has an Obligation

CFC is committed to the ethical treatment of those to whom we have an obligation.

For Our Employees we are committed to honesty, just management, and fairness, providing a safe and healthy environment, and respecting the dignity due everyone.

For our customers we are committed to produce reliable products and services, delivered on time, at a fair price.

For the communities, in which we live and work, we are committed to acting as concerned and responsible neighbors, reflecting all aspects of good citizenship.

For our shareholders we are committed to pursuing sound growth and earnings objectives and to exercising prudence in the use of our assets and resources.

For our suppliers we are committed to fair competition and the sense of responsibility required of a good customer.

Cape Fox Corporation is committed to the ethical treatment of those to whom we have an obligation.

Obev the law

CFC will conduct its business in accordance with all applicable laws and regulations. The laws and regulations related to contracting with the United States government are far reaching and complex, thus placing burdens on CFC that are in addition to those faced by companies without extensive government contracts. Compliance with the law does not comprise our entire ethical responsibility.

CFC is committed to full cooperation with any Government agencies responsible for either investigation or corrective actions and expects its employees to share this commitment to cooperation. It is extremely important that, in all instances, employees be truthful and accurate in all statements made and information given to regulatory and law enforcement officials.

CFC is also committed to full compliance with all mandatory disclosure requirements concerning possible violations of Federal criminal law or a violation of the civil False Claims Act. If any employee has a suspicion that a criminal act has taken place, you are obligated to immediately report your concerns to the Cape Fox Ethics Compliance Officer

CFC will conduct its' business in accordance with all applicable laws and regulations.

Promote a Positive Work Environment

All employees want and deserve a work place where they feel respected, satisfied, and appreciated. Harassment or discrimination *of any kind* and especially involving race, color, religion, gender, age, national origin, disability, and veteran or marital status is unacceptable in our work place environment.

Providing an environment that supports the honesty, integrity, respect, trust, responsibility, and citizenship of every employee permits us the opportunity to achieve excellence in our work place. While everyone who works for CFC must contribute to the creation and maintenance of such an environment, our executives and management personnel assume special responsibility for fostering a context for work that will bring out the best in all of us.

Work Safely: Protect Yourself and Your Fellow Employees

CFC is committed to providing a drug-free, safe, and healthy work environment. Each of us is responsible for compliance with environmental, health, and safety laws and regulations. Observe posted warnings and regulations. Report immediately to the appropriate management any accident or injury sustained on the job, or any environmental or safety concern you may have.

CFC is committed to providing a drug-free, safe, and healthy work environment.

Keep Accurate and Complete Records

CFC must maintain accurate and complete records. Transactions between CFC and outside individuals and organizations must be properly and accurately entered in our record books in accordance with generally accepted accounting practices and principles. No one should rationalize or even consider misrepresenting facts or falsifying records. It is illegal, will not be tolerated, and will result in disciplinary action.

No one should rationalize or even consider misrepresenting facts or falsifying records.

Record Costs Properly

Employees and their supervisors are responsible for ensuring that labor and material costs are accurately recorded and charged on CFC's records. These costs include, but are not limited to, normal contract work, work related to independent research and development, and bid and proposal activities.

Employees and their supervisors are responsible for...CFC's records.

Strictly Adhere to All Antitrust Laws

Antitrust is a blanket term for strict federal and state laws that protect the free enterprise system. The laws deal with agreements and practice "in restraint of trade" such as price fixing and boycotting suppliers or customers, for example. They also bar pricing intended to run a competitor out of business; disparaging, misrepresenting, or harassing a competitor, stealing trade secrets; bribery; and kickbacks.

Antitrust laws are vigorously enforced. Violations may result in severe penalties such as forced sales of parts of businesses and significant fines for CFC. There may also be sanctions against individual employees including substantial fines and prison sentences. These laws also apply to international operations and transactions related to imports into and exports from the United States. Employees involved in any dealings with competitors are expected to know that U.S. and foreign antitrust laws may apply to their activities and to consult with CFC's lawyer prior to negotiating with or entering into any arrangements with a competitor.

Follow the Rules in Using or Working with Former Government Personnel

U.S. government laws and regulations governing the employment of or services from former military and civilian government personnel prohibit conflicts of interest ("working both sides of the street"). These laws and rules must be faithfully and fully observed.

Follow the Law and Use Common Sense in Political Contributions and Activities

Federal law prohibits corporations from donating corporate funds, goods, or services – directly or indirectly – to candidates for federal offices. This includes employees’ work time. As a matter of policy we will not make political contributions in foreign countries.

Carefully Bid, Negotiate, and Perform Contracts

We must comply with the laws and regulations that govern the acquisition of goods and services by our customers. We will compete fairly and ethically for all business opportunities. In circumstances where there is reason to believe that the release or receipt of non-public information is unauthorized, do not attempt to obtain and do not accept such information from any source.

If you are involved in proposals, bid preparations, or contract negotiations, you must be certain that all statements, communications, and representations to prospective customers are accurate and truthful. Once awarded, all contracts must be performed in compliance with specifications, requirements, and clauses.

Avoid Illegal and Questionable Gifts or Favors

Federal, state and local government departments and agencies are governed by laws and regulations concerning acceptance by their employees of entertainment, meals, gifts, gratuities, and other things of value from firms and persons with whom those departments and agencies do business or over whom they have regulatory authority. It is the general policy of CFC to strictly comply with those laws and regulations. With regard to all federal Executive Branch employees and any other government employees who work for customers or potential customers of the Corporation, it is the policy of CFC to prohibit its employees from giving things of value. Permissible exceptions are offering CFC advertising or promotional items of *nominal value* such as a coffee mug, calendar, or similar item displaying the CFC logo, and providing modest refreshments such as soft drinks, coffee, and donuts on an occasional basis in connection with business activities. “Nominal value” is \$10.00 or less. (Note: Even though this policy may be more restrictive than the U.S. Government’s own policy with regard to federal Executive Branch employees, this policy shall govern the conduct of all CFC employees.) Legislative, judicial, and state and local government personnel are subject to different restrictions; both the regulations and corporate policies pertaining to them must be consulted before courtesies are offered.

To Non-Government Personnel:

As long as it doesn’t violate the standards of conduct of the recipient’s organization, it’s an acceptable practice to provide meals, refreshments, and entertainment of reasonable value in conjunction with business discussions with non-government personnel. Gifts, other than those of reasonable value (\$50.00 or less), to private individuals or companies are prohibited unless specifically approved by the CFC Chief Executive Officer (CEO) or the CEO of an operating company or subsidiary.

To CFC Personnel:

CFC employees may accept meals, refreshments, or entertainment of *nominal* value in connection with business discussions. While it is difficult to define “nominal” by means of a specific dollar amount, a common sense determination should indicate what would be considered lavish, extravagant, or frequent. It is the personal responsibility of each employee to ensure that his or her acceptance of such meals, refreshments, or entertainment is proper and could not reasonably be construed in any way as an attempt by the offering party to secure favorable treatment.

It is the personal responsibility of each employee...

CFC Employees are *not* permitted to accept funds in any form or amount, or any gift that has retail or exchange value of \$50 or more from individuals, companies, or representatives of companies having or seeking business relationships with CFC. If you have any questions about the propriety of a gift, gratuity, or item of value, contact your CEO.

If you buy goods or services for CFC, or are involved in the procurement process, you must treat all suppliers uniformly and fairly. In deciding among competing suppliers, you must objectively and impartially weigh all facts and avoid even the appearance of favoritism. Established routines and procedures should be followed in the procurement of all goods and services.

Steer Clear of Conflicts of Interest

Playing favorites or having conflicts of interest – in practice or in appearance – runs counter to the fair treatment to which we are all entitled. Avoid any relationship, influence, or activity that might impair, or even appear to impair, your ability to make objective and fair decisions when performing your job. When in doubt, share the facts of the situation with your supervisor, the corporate attorney, or the CEO.

When in doubt, share the facts of the situation with your supervisor, the corporate attorney, or the CEO.

Here are some ways a conflict of interest could arise:

- Employment by a competitor or potential competitor, regardless of the nature of the employment, while employed by CFC.
- Acceptance of gifts, payment, or services from those seeking to do business with CFC.
- Placement of business with a firm owned or controlled by an employee or his/her family.
- Ownership of, or substantial interest in, a company which is a competitor or a supplier.
- Acting as a consultant to a CFC customer or supplier.

Maintain the Integrity of Consultants, Agents, and Representatives

Business integrity is a key standard for the selection and retention of those who represent CFC. Agents, representatives, or consultants must clarify their willingness to comply with CFC's policies and procedures and must never be retained to circumvent our values and principles.

Paying bribes or kickbacks, engaging in industrial espionage, obtaining the proprietary data of a third party, or gaining inside information or influence are just a few examples of what could give us an unfair competitive advantage in government procurement and could result in violations of law.

Protect Proprietary Information

Proprietary company information may not be disclosed to anyone without proper authorization. Keep proprietary documents protected and secure. In the course of normal business activities, suppliers, customers, and competitors may sometimes divulge to you information that is proprietary to their business. Respect these confidences.

Keep proprietary documents protected and secure.

Obtain and Use Company and Customer Assets Wisely

Proper use of company and customer property, facilities, and equipment is your responsibility. Use and maintain these assets with the utmost care and respect, guarding against waste and abuse. Be cost-conscious and alert to opportunities for improving performance while reducing costs. The use of company time, material, or facilities for purposes not directly related to company business, or the removal or borrowing of company property without permission, is prohibited.

All employees are responsible for complying with requirements of software copyright licenses related to software packages used in fulfilling job requirements.

Warning Signs – You’re On Thin Ethical Ice When You Hear...

- “Well, maybe just this once...”
- “No one will ever know...”
- “It doesn’t matter how it gets done as long as it gets done.”
- “It sounds too good to be true.”
- “Everyone does it.”
- “Shred that document.”
- “We can hide it.”
- “No one will get hurt.”
- “What’s in it for me?”
- “This will destroy the competition.”
- “We didn’t have this conversation.”

You can probably think of many more phrases that raise warning flags.





CERTIFICATION:
ETHICS COMPLIANCE PROGRAM REQUIREMENTS

I, _____, an employee of Cape Fox Corporation, hereby attest that;

A. I have received a copy of the Cape Fox Corporation Code of Business Conduct and also acknowledge that I have been informed that a copy of the Code of Business Conduct is available at the Cape Fox Corporation website.

B: I attended a live training session concerning the content and application of the company's business ethics program;

C: I understand that strict adherence to the law, the Code of Business Ethics, and the principles of the business ethics program is a condition of employment; and

+

(D) I understand that Cape Fox Corporation will take disciplinary action, including discharge, for any violation of law, the Code of Business Ethics, the principles of the business ethics program, or basic tenets of business honesty and integrity, or failure to take reasonable steps to prevent or detect improper conduct.

Dated: _____

Employee

EXHIBIT 2: Notice re: Ethics Compliance Officer Contact Information & Hotline Poster



Ethics HOTLINE

We need assistance to ensure we maintain high ethical standards in the conduct of our business, in relationships with employees and in our responsibilities as a federal contractor. We encourage you to report any problems or questionable activities to:

DAVID LANDIS - Business Ethics and Compliance Officer

907-225-5163

You may contact us anonymously. In addition, you are welcome to contact any member of the Cape Fox Corporation Board of Directors.

EXHIBIT 3: Employment Policy Regarding Criminal and Ineligible Persons



Personnel Policy: Employment of Suspended or Debarred Individuals

1. Cape Fox Corporation shall not knowingly employ, with or without pay, an individual who is under indictment, convicted, or listed by a Federal Agency as debarred, suspended, or otherwise ineligible for Federal programs.

2. Cape Fox Corporation shall make reasonable inquiry into the status of any potential employee or consultant. Such reasonable inquiry shall include, at a minimum, review of the General Services Administration's ("GSA") List of Parties Excluded from Federal Procurement and Non-procurement Programs (EPLS) as maintained by GSA on the internet. At the time of hire, a written notation, signed by a Cape Fox manager, shall be placed on the employee's personnel file verifying that name of the person has been compared to the EPLS database and that no match was found. All employees shall be required to immediately report on writing to the Cape Fox Ethics Compliance Officer if the employee is (1) indicted or charged with any crime (with the exception of minor traffic infractions); (2) suspended or proposed for debarment for federal and state procurement and non-procurement programs; and (3) subject to any investigation or disciplinary procedure by any state or local professional licensing authority.

3. Cape Fox Corporation does not require that employment be terminated for individuals who are indicted or become suspended or are proposed for debarment during their employment with Cape Fox Corporation. Cape Fox Corporation, however, will remove such employees from responsibility for or involvement with Cape Fox Corporation's business affairs until the resolution of such suspension or proposed debarment. Cape Fox Corporation reserves the right to terminate employment under the circumstances stated in this paragraph at its discretion.

4. In the event an employee of Cape Fox Corporation is charged with a criminal offense relating to business or otherwise relating to honesty and integrity, Cape Fox Corporation will remove that employee immediately from responsibility for or involvement with Cape Fox Corporation's business affairs. If the employee is convicted or debarred, the employee will be terminated from employment with Cape Fox Corporation immediately upon the entry of judgment of conviction or order for debarment.

EXHIBIT 4: Business Policy Regarding Ineligible Parties



To: All employees

BUSINESS RELATIONSHIPS WITH SUSPENDED OR DEBARRED ENTITIES.

Cape Fox Corporation shall not knowingly form a contract with, purchase from, or enter into any business relationship with any individual or business entity that is listed by a Federal Agency as debarred, suspended, or proposed for debarment.

To effectuate this policy, Cape Fox Corporation shall make reasonable inquiry into the status of any potential business partner, to include, at a minimum, review of the GSA's List of Parties Excluded from Federal Procurement or Non-procurement Programs including the version of this list maintained by GSA on the internet.

Under certain very limited circumstances, Cape Fox Corporation may enter into a business relationship with a suspended or debarred contractor, if the Chief Executive Officer, first determines in writing that a compelling reason justifies the action and takes all necessary or appropriate actions to furnish a copy of the determination not less than 10 days prior to Cape Fox Corporation entering into such a business relationship to any Government officer or agency entitled to receive notice of the determination, including third-party monitors.

Cape Fox Corporation shall not enter into a business relationship, or continue an existing business relationship, with a suspended or debarred entity if any Government officer or agency objects. Cape Fox Corporation shall comply with the requirements of FAR 9.405-2(b) and provide to the Air Force Deputy General Counsel for Contractor Responsibility a copy of the documents submitted to the contracting officer pursuant thereto.

EXHIBIT 5: Schedule of All Existing Business Relationships with
Suspended or Debarred Entities

None. Cape Fox Corporation has no current business relationships with any suspended or debarred entity.