

## Business Ethics and Conflict of Interest Policy

### Mission

The mission of Fincantieri Marine Systems North America Inc is to provide the highest quality products, services, and technological innovation to our customers while adhering to the most exacting standards.

Complete customer satisfaction is our goal, and excellence is our standard.

### Trust and Credibility

The success of our business is dependent on the trust and confidence we earn from our employees, customers and shareholders. We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching company goals solely through honorable conduct. It is easy to say what we must do, but the proof is in our *actions*. Ultimately, we will be judged on what we do.

When considering any action, it is wise to ask: will this build trust and credibility for Fincantieri Marine Systems North America Inc.? Will it help create a working environment in which Fincantieri Marine Systems North America Inc. can succeed over the long term? Is the commitment I am making one I can follow through with? The only way we will maximize trust and credibility is by answering "yes" to those questions and by working every day to build our trust and credibility.

### Company Culture

At Fincantieri Marine Systems North America Inc. everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.

Fincantieri Marine Systems North America Inc. will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, the company will take appropriate action up to and including termination. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

For your information, Fincantieri Marine Systems North America Inc.'s Whistleblower policy is as follows:

A *whistleblower* as defined by this policy is an employee of Fincantieri Marine Systems North America Inc. who reports an activity that he/she considers to be illegal or dishonest to one or more of the parties specified in this Policy. The whistleblower is not responsible for investigating the activity or

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National City, CA 91950  
P. 619-474-2055

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Atlantic Beach, FL 32233  
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for determining fault or corrective measures; appropriate management officials are charged with these responsibilities.

Examples of illegal or dishonest activities are violations of federal, state or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact his/her immediate supervisor or the Human Resources Department. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination.

Whistleblower protections are provided in two important areas -- confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. The Company will not retaliate against a whistleblower. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Department immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

*Defend Trade Secrets Act (DTSA) Compliance:* "Immunity from Liability for Confidential Disclosure of a Trade Secret to the Government or in a Court Filing:

- (1) Immunity-An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that--(A) is made--(i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
- (2) Use of Trade Secret Information in Anti-Retaliation Lawsuit-An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-(A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order."

All reports of illegal and dishonest activities will be promptly submitted to the Human Resources Department who is responsible for investigating and coordinating corrective action.

Employees with any questions regarding this policy should contact the Human Resources Department. Employees are encouraged, in the first instance, to address such issues with their managers or the Human Resources Department as most problems can be resolved swiftly. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager or the Human Resources Department, Fincantieri Marine Systems North America Inc.'s Vice President/General Manager does operate with an open- door policy.

### **Management Expectations**

Management has the added responsibility for demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, managers must be responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At Fincantieri Marine Systems North American Inc. we want the ethics dialogue to become a natural part of daily work.

### **Law Compliance**

Fincantieri Marine Systems North America Inc.'s commitment to integrity begins with complying with laws, rules and regulations where we do business. Further, each of us must understand the company policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or Fincantieri Marine Systems North America Inc. policy, we should seek the advice from the resource expert. We are responsible for preventing violations of law and for speaking up if we see possible violations.

### **Competition**

We are dedicated to ethical, fair and vigorous competition. We will sell Fincantieri Marine Systems North America Inc. products and services based on their merit, superior quality, functionality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Fincantieri Marine Systems North America Inc. or the sales of its products or services, nor will we engage or assist in unlawful boycotts of customers.

### **Proprietary Information**

It is important that we respect the property rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

### **Selective Disclosure**

We will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any material nonpublic information with respect to Fincantieri Marine Systems North America Inc. its securities, business operations, plans, financial condition, results of operations or any development plan. We should be particularly vigilant when making presentations or proposals to customers to ensure that our presentations do not contain material nonpublic information.

## **Avoid Conflicts of Interest**

### ***Conflicts of Interest***

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. At times, we may be faced with situations where the business actions we take on behalf of Fincantieri Marine Systems North America Inc. may conflict with our own personal or family interests. We owe a duty to Fincantieri Marine Systems North America Inc. to advance its legitimate interests when the opportunity to do so arises. We must never use Fincantieri Marine Systems North America Inc. property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Fincantieri Marine Systems North America Inc.

### ***Here are some other ways in which conflicts of interest could arise:***

1. Being employed (you or a close family member) by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while you are employed with Fincantieri Marine Systems North America Inc.
2. Supervising family members or closely related persons.
3. Serving as a board member for an outside commercial company or organization.
4. Owning or having a substantial interest in a competitor, supplier or contractor.
5. Having a personal interest, financial interest or potential gain in any Fincantieri Marine Systems North America Inc. transaction.
6. Placing company business with a firm owned or controlled by a Fincantieri Marine Systems North America Inc. employee or his or her family.
7. Accepting gifts, discounts, favors or services from a customer/potential customer, competitor or supplier, unless equally available to all Fincantieri Marine Systems North America Inc. employees.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the Human Resources department.

### ***Gifts, Gratuities and Business Courtesies***

Fincantieri Marine Systems North America Inc. is committed to competing solely on the merit of our products and services. We should avoid any actions that create a perception that favorable treatment of outside entities by Fincantieri Marine Systems North America Inc. was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom Fincantieri Marine Systems North America Inc. does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of Fincantieri Marine Systems North America Inc. or customers or would cause embarrassment or reflect negatively on Fincantieri Marine Systems North America Inc.'s reputation.

### *Accepting Business Courtesies*

Most business courtesies offered to us during our employment are offered because of our positions at Fincantieri Marine Systems North America Inc. We should not feel any entitlement to accept and keep a business courtesy. Although we may not use our position at Fincantieri Marine Systems North America Inc. to obtain business courtesies, and we must never ask for them, we may accept unsolicited business courtesies that promote successful working relationships and good will with the firms that Fincantieri Marine Systems North America Inc. maintains or may establish a business relationship with.

Employees who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business or who participate in negotiation of contracts must be particularly careful to avoid actions that create the appearance of favoritism or that may adversely affect the company's reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a supplier when Fincantieri Marine Systems North America Inc. is involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesies is the way to obtain Fincantieri Marine Systems North America Inc.'s business.

### *Meals, Refreshments and Entertainment*

We may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring soon.
- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesies known by the public.

### *Gifts*

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets and other modest presents that commemorate a special occasion.
- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Generally, employees may not accept compensation, honoraria or money of any amount from entities with whom Fincantieri Marine Systems North America Inc. does or may do business. Tangible gifts

(including tickets to a sporting or entertainment event) that have a market value greater than \$100 may not be accepted unless approval is obtained from management.

Employees with questions about accepting business courtesies should talk to their managers or the Human Resources department.

### ***Offering Business Courtesies***

Any employee who offers a business courtesy must assure that it cannot reasonably be interpreted as an attempt to gain an unfair business advantage or otherwise reflect negatively upon Fincantieri Marine Systems North America Inc. An employee may never use personal funds or resources to do something that cannot be done with Fincantieri Marine Systems North America Inc.'s resources. Accounting for business courtesies must be done in accordance with approved company procedures.

Other than to our government customers, for whom special rules apply, we may provide nonmonetary gifts (i.e., company logo apparel or similar promotional items) to our customers. Further, management may approve other courtesies, including meals, refreshments or entertainment of reasonable value, provided that:

- The practice does not violate any law or regulation or the standards of conduct of the recipient's organization.
- The business courtesy is consistent with industry practice, is infrequent in nature and is not lavish.
- The business courtesy is properly reflected on the books and records of Fincantieri Marine Systems North America Inc.

### **Metrics and Reporting**

#### ***Accurate Public Disclosures***

We will make certain that all disclosures made in financial reports and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records.

Employees should inform Executive Management and the Human Resources department if they learn that information in any filing or public communication was untrue or misleading at the time it was made or if subsequent information would affect a similar future filing or public communication.

#### ***Corporate Recordkeeping***

We create, retain and dispose of our company records as part of our normal course of business in compliance with all Fincantieri Marine Systems North America Inc. policies and guidelines, as well as all regulatory and legal requirements.

All corporate records must be true, accurate and complete, and company data must be promptly and accurately entered in our books in accordance with Fincantieri Marine Systems North America Inc.'s and other applicable accounting principles.

### ***Accountability***

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if we are uncertain about company policy. If we are concerned whether the standards are being met or are aware of violations of the Code, we must contact the Human Resources department.

Fincantieri Marine Systems North America Inc. takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

### **Confidentiality**

#### ***Confidential and Proprietary Information***

Integral to Fincantieri Marine Systems North America Inc.'s business success is our protection of confidential company information, as well as nonpublic information entrusted to us by employees, customers and other business partners. Confidential and proprietary information includes such things as pricing and financial data, customer names/addresses or nonpublic information about other companies, including current or potential supplier and vendors. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.

#### ***Media Inquiries***

Fincantieri Marine Systems North America Inc. is a high-profile company and from time to time, employees may be approached by the press and other members of the media. To ensure that we speak with one voice and provide accurate information about the company, we should direct all media inquiries to the Marketing Department. No one may issue a press release without first consulting with the Marketing Department.



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**Vice President/General Manager**

Richard Dinsmore

[Rdinsmore@fmsna.com](mailto:Rdinsmore@fmsna.com) or 757-548-6000 x 124



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**Human Resources Manager**

Ashley Morningstar

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**ACKNOWLEDGEMENT RECEIPT OF FMSNA'S  
BUSINESS ETHICS AND CONFLICT OF INTEREST POLICY**

I acknowledge that I have received Fincantieri Marine Systems North America Inc.'s Business Ethics and Conflict of Interest Policy. I also understand that I am responsible for reviewing this policy and complying with all its provisions. I understand that failure to follow the provisions laid out in this policy could lead to disciplinary action up to and including termination.

\_\_\_\_\_  
Employee's Printed Name

\_\_\_\_\_  
Employee's Signature

\_\_\_\_\_  
Date of Signature

\_\_\_\_\_  
Human Resources Signature