



Subject: Supplier Relationships with Kansas City National Security Campus

To current and prospective suppliers:

We would like to thank you for your interest in being a supplier of high-quality products, components, or services for use in connection with the fulfillment of our Prime Contract with the Department of Energy. As a supplier, we request your cooperation and support in helping us maintain a fair, ethical, and effective procurement system for suppliers and services. The procurement of supplies and services by the Kansas City National Security Campus, managed by Honeywell Federal Manufacturing & Technologies, is conducted in a manner that fosters the highest ethical standards. KCNSC refers to three geographical locations: Kansas City, Missouri; Albuquerque, New Mexico; and Los Alamos, New Mexico. It is our objective to avoid impropriety to maintain the integrity of our procurement system.

A conflict of interest can arise when an associate or the associate's immediate family holds a material investment in or is an official or director of a supplier or potential supplier of products or services. In addition, a conflict of interest can arise if an associate or the associate's family personally profits from the corporate relationships with a supplier. Such a relationship must be fully disclosed to and be approved by KCNSC. Further, associates of either KCNSC or its suppliers who possess non-public information as a result of any business relationship between the two companies may not trade in the stock of either company based on their knowledge of such inside information.

Purchase orders issued by KCNSC are in furtherance of our Prime Contract with the United States Department of Energy and are subject to multiple ethics-related Federal Acquisition Regulations (FAR) and Department of Energy Acquisition Regulations (DEAR), such as the Anti-Kickback Clause of 2014, Contractor Code of Business Ethics and Conduct Clause 2010, Personal Identity Verification of Contactor Personnel Clause 2011, Prohibition of Segregated Facilities Clause 1999, Restrictions on Subcontractor Sales to the Government Clause 2014, Combating Trafficking in Persons Clause 2009, and the Drug Free Workplace Clause 2001, as well as many others, outlined in the contract. Purchase orders issued by you, our supplier, for goods and services necessary to fill our purchase orders are also subject to these acts. Specifically, the Anti-Kickback Act prohibits the offering, solicitation, or acceptance of kickbacks by persons or organizations involved in activities associated with the acquisition process. The term kickback is defined as, "any money, fee, commission, credit, gift, gratuity, thing of value, or compensation of any kind."

Accordingly, our associates are prohibited from soliciting or accepting kickbacks from suppliers or potential suppliers. This prohibition extends to members of the associate's immediate family. This prohibition likewise is applicable to you and your employees in dealing with your lower tier suppliers when goods and services are acquired specifically for our purchase orders.

In order to be awarded a contract, the supplier, its employees, agents or representatives shall not provide, directly or indirectly, any money, fee, commission, credit, gift, gratuity, thing of value or compensation of any kind to any KCNSC employee in any way related to the contract directly or indirectly. Any breach of this provision will be deemed a material breach of the contract and will be grounds for termination.

KCNSC recommends that your company give consideration — if it has not done so — to the establishment of an ethics program that would provide necessary information and guidance to your employees to assure compliance with these acts. This program should possess an ombudsman procedure to facilitate reporting of unethical conduct. Our business must be conducted with integrity, honesty, and loyalty.

Please be advised that unauthorized conflicts of interest or offer of a kickback or other special treatment by a supplier to a KCNSC associate or to a member of their immediate family may result in the supplier or potential supplier being disqualified as a source for requirements, termination of purchase orders and could result in other legal action against the supplier or individuals involved. Any matter of the above nature that comes to the attention of a supplier or potential supplier should be immediately reported to us. The KCNSC hotline is 1 (800) 237-5982.

We urge you to report improper conduct and to help us conduct our business with integrity in accordance with the policy set forth herein. Your cooperation and assistance in enforcing the above standards will reflect favorably on your responsibility as a supplier.

Regards,

A handwritten signature in blue ink that reads "Jacqueline".

Jacqueline Coleman
Director of Procurement