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I TRUE's BUSINESS CODE OF ETHICS

A. Introduction

TRUE Research Foundation's (TRUE)'s policy is to conduct its business fairly and ethically. TRUE's ethical reputation is solely dependent upon the conduct of the TRUE employees. TRUE requires the highest standard of ethical business conduct from all employees regardless of their position with TRUE.

Each employee takes great pride in TRUE's success and its reputation as a leader in the support of military medicine. Conduct that could raise questions as to the honesty, integrity, fairness or reputation of TRUE, as well as activities that could embarrass or damage the reputation of TRUE or its employees, have been and continue to be expressly prohibited. TRUE employees must avoid any activity, conduct or transaction that can create the appearance of unethical, illegal or improper business conduct. TRUE has a strong history of ethics in its work force, but only our vigilance will maintain this hard earned reputation.

TRUE's Business Code of Ethics is an integral part of TRUE's Ethics and Business Conduct Program, which in turn is central to TRUE's business practices. The Business Code of Ethics addresses many of the ethics issues that may arise during the course of an employees' career. This document will provide guidance that can be used for each ethics question that relates to employment with TRUE. It is important that every TRUE employee to be aware of this policy, the business ethics of TRUE and the employees' responsibilities as related to this policy. However, the Business Code of Ethics cannot anticipate every circumstance that the employee may encounter

This Business Code of Ethics addresses some of the most likely ethics situations that each employee may encounter. The employee may seek advice from your supervisor, the Research Department, or the CEO of TRUE regarding ethics questions or potentially unethical situations. Additionally you may want to email the information to t.nakamura@trueresearch.org or to J.bordas@trueresearch.org to ask questions or make reports on any matter related to this policy. Other reporting requirements are discussed in detail in Section III of the Business Code of Ethics. TRUE's General Counsel and the Human Resource Department may become involved in unethical reports by or against an employee.

B. Responsibilities

The military community in the United States is regulated by both federal and state laws as well as military regulations. Because TRUE performs work for the United States government, it must operate within the most comprehensive contractual and legal system in the world. The employee are expected to abide by this Business Code of Ethics so as not to face any prosecution or other adverse action based on violating a law, regulation, or TRUE policy.

TRUE hires only qualified employees and understands when the employee is concerned over the amount of paper work to read and understand; however, each employee must review this Business Code of Ethics in its entirety and ask questions when needed.

1. Kickbacks:

A “kickback” is considered a gift or a bribe with a string attached. The giver expects favorable treatment in return for the gift. Both the giver and the recipient can be guilty of giving (or accepting) the kickback/bribe if either acted with the expectation of giving or receiving favorable treatment under a subcontract (at any tier) under any government prime contract

- a.** TRUE employees may not ask for or accept any type of kickback from any supplier, subcontractor or sub-awardee, or from any employee of a supplier, subcontractor or sub-awardees. TRUE employees may not offer a kickback to any customer, or employee of a higher-tier contractor, subcontractor or sub-awardee. (See TRUE Personnel Policy, Employment Practices, Dual Compensations).
- b.** A kickback can include meals; money; souvenirs; gift certificates; invitations to attend or participate in any entertainment, sporting, golf, hunting, cruise or other event; or any other item of any value. Furthermore, any amount paid to a TRUE employee for an item that is greater than the item’s fair market value could be considered a kickback.
- c.** For purposes of this rule, the terms “supplier,” “subcontractor” and “sub-awardee” include both current and potential suppliers, subcontractors and sub-awardees at any tier (above or below TRUE). A “subcontractor or supplier” is one who provides any goods or services required by TRUE for the performance of a government contract, grant or cooperative agreement, or of a subcontract or sub-agreement at any tier below a government contract, grant or cooperative agreement. “Potential” includes any company or individual that does not currently do business with TRUE but is soliciting or attempting to solicit TRUE’s business.
- d.** Offering or accepting kickbacks is a crime, and TRUE will address kickback related activity with the seriousness it deserves. TRUE has the obligation to report employees engaging in kickback-related activity to federal and/or state authorities.

2. Gratuities Offered to Government Employees

TRUE employees may not offer any type of gratuity to a contracting officer, grants officer or other government employee except with the prior approval of the TRUE’s CEO. It can be a federal crime to offer a government employee a gratuity.

- a.** Except as expressly authorized by TRUE’s CEO or General counsel employees may not offer a gratuity to any government employee directly or indirectly under any circumstances, regardless of the employee’s intent. TRUE’s Business Office will keep a record of approved requests, and will ensure that the gratuities from TRUE to any government employee do not, under any circumstances, exceed \$20 per occasion or \$50 in any calendar year.
- b.** For purposes of this rule, “gratuity” includes any gift, favor, entertainment, services, conference fees, vendor promotional training, transportation, lodgings and meals, as well as discounts not available to the general public and loans. Essentially, a gratuity is any item having monetary value. “Gratuities” that are duly authorized expenditures from Education Programs funds are not prohibited.

3. Other Payments to Government Employees or the Federal Government

TRUE Employees may not knowingly make a cash or in-kind payment to a government employee or to the federal government that is prohibited by law or regulation.

If a law or regulation prohibits a government employee from receiving a payment, TRUE policy prohibits TRUE employees from making the payment even if the law or regulation does not directly apply to TRUE. For example, the Joint Ethics Regulation (applicable to Department of Defense employees, but not to TRUE) prohibits government employees from receiving in-kind payments of travel or lodging unless approval from certain federal officials is received first; TRUE employees may not make such in-kind payments if they know (or, with the exercise of reasonable diligence, should know) that the required approval has not been obtained.

Similarly, TRUE employees may not knowingly make any payment to the federal government that violates any statute or regulation.

4. Gratuities Offered to TRUE Employees by Subcontractors or Suppliers

TRUE employees may not accept gratuities from any supplier, subcontractor or sub-awardee, from any employee of a supplier, subcontractor or sub-awardee or from any potential suppliers, subcontractors or sub-awardees or their employees, at any time, except for occasional meals, souvenirs, mementos and promotional items of nominal value.

a. If a gift is offered by a subcontractor or supplier to a TRUE employee, and if it is not intended to affect the employee's decision on a contract or subcontract, then the gift is a gratuity. A gratuity, then, is essentially a kickback without an underlying purpose.

b. For purposes of this rule, a "subcontractor or supplier" is a subcontractor or supplier who provides (or, in the case of a potential subcontractor or supplier, who may provide in the future) any good or service required by TRUE for the performance of a government contract, grant or cooperative agreement or of a subcontract or sub-agreement at any tier below a government contract, grant or cooperative agreement. If in doubt whether the offer or of a gratuity is a subcontractor or supplier, consult the Research Department, the CEO.

c. "Nominal" as used in this policy means that no single meal, souvenir, memento or promotional item may exceed \$25 in fair market value, and that the cumulative fair market value of all meals, souvenirs, mementos and promotional items from any single subcontractor or supplier to any individual TRUE employee may not exceed \$75 per calendar year.

d. "Meals, souvenirs, mementos and promotional items of nominal value" is a very narrow window of acceptability. An item may be a meal, souvenir, memento or promotional item and of nominal value for the employee of TRUE to accept.

1. Example: A hunting jacket with a vendor's patch on the sleeve may be a souvenir, memento or a promotional item, but its value is not nominal because it carries the full value of any hunting jacket of comparable quality. It is not an acceptable gratuity.

2. A six-pack of beer may be of nominal value, but it does not fall within the definition of meal, souvenir, memento or promotional item. It is not an acceptable gratuity.

3. The fact that an offer of a gratuity is phrased in a way to benefit a group of employees or TRUE as a whole, as opposed to benefiting an individual TRUE employee, does not change the rule or the exception. If a contractor

or supplier desires to make a donation of any kind to TRUE, contact the CEO.

e. When an item is a gratuity from a supplier or potential supplier, and when it falls into this narrow exception permitting you to accept it. There are judgment calls that you must make on a case-by-case basis. There are some general rules that you can apply. The following are some guidelines that will help in determining whether an item is a prohibited gratuity.

(1) If your acceptance of a gift could appear as evidence of favoritism to a competitor of the giver, then you should not accept the item.

(2) If the item is one that you will insure, sell or spend, its value is probably not nominal and you should not accept it.

(3) If the item's only value is an emotional one, such as the value that you would give to an unframed photograph of your dog, then its value is probably nominal.

(4) Examples of acceptable promotional items are logo-embossed hats, rulers, coffee cups or notepads. These items usually are inexpensive and advertise the giver's company.

(5) Sometimes circumstances, such as a special occasion, can justify an exception to TRUE's gratuity policy, because the opportunity for an appearance of impropriety is reduced. For example, what normally would be unacceptable as a gratuity might be permissible as a wedding gift? When you have an upcoming special occasion or other reason for an exception, request an exception to TRUE policy as set forth in section 5.

(6) TRUE policy permits acceptance of an occasional meal of nominal value (as defined in the preceding section) where the potential appearance of impropriety is minimized by the modest dollar amount involved, but TRUE employees should always use good judgment and consider all of the relevant circumstances. The business lunch or after-work drink or dinner meeting requires careful consideration, because the informal, extended contact with a single vendor at his or her expense certainly may carry an appearance of impropriety. A competing vendor might feel unfairly slighted if he were to observe the meal or the after-work drinking session. You generally should go only when necessary for business, and, when you do go, it may be appropriate for you to pay for your own food or drinks.

(7) If in doubt, do not take the offered item. Call TRUE for clarification.

5. Gratuities Offered to Customers or Higher-Tiered Contractors

TRUE employees may not offer any gratuity to an employee or other person affiliated with a higher-tiered contractor or awardee, if the TRUE employee could not accept the same gratuity from a supplier or lower-tiered subcontractor. See section 4, "Gratuities Offered to TRUE Employees by Subcontractors or Suppliers," for these rules. Under no circumstances will any TRUE employee offer to anyone associated with a customer or higher-tiered contractor any gratuity that fails to meet the standards set forth in this section.

a. EXCEPTIONS: Because TRUE's policy is somewhat more restrictive than applicable state and federal laws, TRUE will consider requests for exceptions up to the limits of those laws. Any such exception must be requested through

supervisory channels or TRUE's home office, and must be approved in writing, in advance if possible.

Example: If a buyer were the best man at a subcontractor friend's wedding and reception, TRUE would likely approve the buyer's accepting the gift normally given to the best man as well as food and drink on this occasion. There is little likelihood of an appearance of impropriety. However, technically the food and drink to be consumed at the wedding reception and the gift all probably exceed nominal value. CEO or General Counsel can waive TRUE policy prohibiting gratuities. Each such waiver is only for the single specific purpose stated in the written approval. Therefore, each employee must seek individual approval one event at a time.

6. Accuracy of Information

TRUE employees are required to make accurate entries in books and records and to be truthful and accurate when making statements related to TRUE business.

TRUE employees are prohibited from making any false or fraudulent entry in the company's books or records. TRUE employees are also prohibited from making any type of false statement, written or otherwise, to any other TRUE employee, supplier, governmental official or any other person in connection with any contract, subcontract, cooperative agreement, grant, sub award or company record. This includes:

- a. False or artificial entries include backdating documents, altering lab data to make the results of research look better than they are or tampering with or making false or incomplete entries on timesheets. A document's credibility comes from a reliable process of creating it.
- b. It is a federal crime to falsify a document or to make any other false statement, written or oral, in connection with a government contract, grant, cooperative agreement or time sheets.

7. Customer Property

TRUE employees may use customer-furnished property only in a manner specifically authorized by their supervisors.

- a. From time to time, the United States government or another customer delivers its property to TRUE for use in connection with TRUE contracts. While in the custody of TRUE, all such customer property must be strictly accounted for until it is returned to the customer or otherwise disposed of at the direction of the customer. To prevent the incurrence of civil and criminal penalties by both TRUE and its employees, TRUE employees must not use customer property in any manner other than as directed by the employee's supervisor. In no case may such customer-furnished items be used for any purpose other than in connection with the contract for which the property was provided.
- b. When you are not sure if a certain piece of property is government or other customer property, or if your use of the property would constitute unauthorized use, consult your supervisor, or TRUE.

8. Confidential Information or Private Data

TRUE employees will protect the confidentiality of trade secrets and other proprietary or confidential business information. TRUE employees may not disclose the trade secrets or other proprietary or confidential business information of TRUE or other entities except

as specifically authorized. It is critical to the future of TRUE that TRUE's trade secrets and other proprietary or confidential business information remain confidential. It is critical to TRUE's relationship with the government and with other companies that TRUE protect any trade secrets and proprietary or confidential business information that those entities have entrusted to TRUE. TRUE is subject to numerous confidentiality agreements, material transfer agreements, clinical trial agreements and other agreements that prohibit disclosure of such information. Employees must comply with such agreements and must keep such information strictly confidential at all times.

- a.** While sensitive information may be marked as such, employees must protect all such information whether it is marked or not.
- b.** Confidential information includes, but is not limited to: pricing, business terms and other confidential information contained in grants, contracts and cooperative agreements; applications and proposals prepared by or for TRUE; tax records; information about present or future services, including marketing plans, strategies, forecasts, blueprints, specifications, programs, ideas, customer lists, vendor lists, pricing structures, marketing and business plans, strategies, budgets, projections, licenses, prices, costs and financial data; patentable inventions and related products and licenses; and documentation related to the foregoing, including electronic documents and computer programs.
- c.** TRUE employees shall not disclose to a supplier or potential supplier any information concerning the bid, bidding techniques or operations of another supplier or potential supplier. In order to maximize competition and to preserve the integrity of the bidding process for TRUE subcontracts and purchases, information regarding suppliers must be kept strictly confidential from other suppliers. Suppliers should be able to disclose information to TRUE and know that such information will not be misused.
- d.** TRUE employees shall not attempt to obtain any proprietary or source selection information, directly or indirectly, from any governmental employee during the conduct of government procurements TRUE employee will not discuss future employment or business opportunities with any government employee either during the conduct of the procurement or during the administration of the contract. Such conduct can be, or appear to be, an attempt to obtain "inside information," which might expose both the employee and TRUE to allegations of Procurement Integrity Act violations. The "conduct of government procurement" begins on the earliest date of specific governmental action on procurement, such as drafting a specification or statement of work or developing a procurement or purchase request. This conduct period ends with the award of the contract or cancellation of the solicitation.
- e.** TRUE employees will protect information of a personal nature concerning current and former employees of TRUE. Employees must protect all such information whether it is marked or not. This information includes, but is not limited to: social security numbers; home addresses; home telephone numbers; dates of birth; information and evaluations concerning employee performance and disciplinary action; and employee compensation data.
- f.** Employees must not:
 - (1)** Use any of the foregoing information for personal benefit.
 - (2)** Disclose or authorize disclosure of such information to anyone not employed by TRUE without specific authorization from the employee's supervisor.

(3) Disclose such information to anyone employed by TRUE other than persons with a reasonable need to know for the performance of TRUE duties. Employees are required to take all reasonable precautions to protect against the intentional, negligent or inadvertent disclosure of such information to any other person or entity.

9. Insider Information

TRUE employees shall not use or disclose material nonpublic information obtained as a result of an association with TRUE. Employees will not engage in “insider trading” or participate in any communication or activity that involves or appears to involve the direct or indirect use of “inside information” to obtain any gain for themselves or for others.

a. “Insider trading” can generally be defined as personally using nonpublic information to trade in securities or using that information to “tip” others so that they may trade in securities on the basis of that information. “Inside information” is information obtained as a result of being a TRUE employee that is not generally available to the public.

b. Example: Assume a TRUE employee overhears the vice president of a TRUE supplier tell a TRUE vice president that the government is placing a substantial order for 1,000 additional units on an existing contract. Assume also that the supplier is a publicly traded company. Neither TRUE employee nor TRUE vice president could use that information to buy stock in that supplier, nor could either of them share that information with relatives, friends or anyone else except TRUE employees who have a need to know the information in order to perform their duties at TRUE.

10. Improper Influence

TRUE employees are prohibited from using their positions to induce, coerce or in any way influence any person, including subordinates, to provide any unauthorized benefits, financial or otherwise, to themselves or to others.

a. Example: A supervisor cannot order an employee whom they supervise to mow the lawn at the supervisor’s house.

b. “Improper influence” also includes threatening or taking steps to prevent an employee from reporting information to a government agency, to the CEO or to TRUE’s General Counsel and it includes any retaliation against an employee solely on the basis of such reporting.

11. Employment Discrimination

All TRUE employees will comply with TRUE’s Equal Employment Opportunity Policy and with all requirements of applicable federal, state and local law. TRUE offers equal employment opportunities for all persons, regardless of race, creed, color, sex, sexual orientation, religion, marital status, national origin, age, veteran status, disability or any other class protected by state or local laws applicable to the employee’s work location. TRUE employees are prohibited from engaging in any form of unlawful employment discrimination. The Manager of Human Resources serves as the Equal Employment Opportunity (EEO)/Affirmative Action Officer for TRUE. Employees with EEO-related questions, problems or complaints should contact the Director of Human Resources and, if filing a complaint, should follow TRUE’s Complaint procedures.

12. Sexual and Other Forms of Harassment

TRUE employees will comply with TRUE's Sexual Harassment Policy and with all requirements of applicable federal state and local law. TRUE supports a productive work environment free from any conduct by any employee that harasses, disrupts or interferes with the work performance of another employee of TRUE. TRUE employees are prohibited from any verbal, visual or physical conduct that creates an intimidating, offensive or hostile work environment at TRUE. The Manager of Human Resources serves as the Equal Employment Opportunity (EEO)/Affirmative Action Officer for TRUE. Employees who believe they have been sexually harassed or experienced other forms of harassment should following the sexual harassment reporting procedures.

13. Drug-Free Workplace

All TRUE employees will comply with TRUE's Drug-Free Workplace Policy and with all requirements of applicable federal state and local law. TRUE is required to maintain a drug-free workplace. Illegal drug use by an employee is incompatible with TRUE's standards of employee conduct and performance. Drug use in the work place will not be tolerated.

14. Lobbying Restrictions

- a. TRUE is a 501(c) (3) tax-exempt organization subject to significant Internal Revenue Code restrictions on its lobbying activities. No TRUE employee shall engage in activities on behalf of TRUE that could be construed as lobbying without specific authorization from TRUE.
- b. TRUE employees may not engage in lobbying activities unless specifically authorized by TRUE management. Lobbying and lobbyists are heavily regulated by federal and state law. Such authorization generally will be granted only after consultation with the General Counsel of TRUE, because the legal repercussions of improper activities in this area can be severe.
- c. TRUE employees may not use TRUE funds for political contributions or for lobbying. It is unlawful and against TRUE policy for TRUE or any TRUE employee to use TRUE funds to make any direct or indirect contribution to political parties, candidates or political action committees.
- d. TRUE employees may not use federally appropriated funds for certain lobbying activities. In addition to the general restrictions on TRUE lobbying activities, federal procurement law specifically prohibits the recipient of a federal contract, grant, loan or cooperative agreement from using appropriated funds to pay anyone for influencing or attempting to influence government or congressional personnel in the awarding or modifying of any federal contract, grant, loan or cooperative agreement. Federal law also requires the offer or recipient to furnish a declaration consisting of a certification and a disclosure to be submitted during the procurement process. Employees must use caution to ensure that appropriated funds are not used for any prohibited lobbying activities and that all certifications and disclosures are accurate.

15. Unauthorized Statements or Commitments with Respect to TRUE Agreements

Only the CEO may commit TRUE to a contract, subcontract, cooperative agreement, grant or sub award. Unauthorized employees will not commit or attempt to commit TRUE on any such agreement. Such unauthorized commitments are serious matters, and TRUE will address them accordingly.

16. Corporate Espionage

TRUE employees will gather information only in a lawful manner. TRUE employees may not gather information from competitors in an improper manner, nor may a TRUE employee improperly obtain or attempt to obtain proprietary, private or competition-sensitive information from competitors or from the government.

a. TRUE employees may not resort to unfair or unreasonable tactics to gain information on competitors or subcontractors for any reason. Legitimate public sources of information (i.e., those that would be available to anyone) may be used.

b. If you have questions about what may be “improper” or “unfair,” consult your supervisor and the CEO.

17. Unfair Competition

No TRUE employee may enter into any type of agreement or contract that unreasonably restrains trade.

a. Any agreement entered into by an employee with a supplier or other outside party (or in some cases, another TRUE employee) that serves to hinder free competition in bidding for prime agreements or in bidding for TRUE subcontracts or sub awards may be a violation of federal antitrust laws that could expose TRUE and the employee to criminal penalties, including prison sentences.

b. Taking kickbacks from a supplier, offering kickbacks to a customer or to a government employee, disclosing confidential information about one supplier to that supplier’s competitors or awarding a subcontract on any basis other than legitimate business reasons may be antitrust violations, because such actions serve to restrain fair and equal competition.

c. For purposes of this policy, an “agreement” need not be in writing or even explicitly stated between the parties. If there is an unspoken understanding between a TRUE employee and the other party that the party will receive preferential treatment from TRUE employee, then an antitrust violation may have occurred.

d. When an employee believes that any existing or contemplated future arrangement with any person or entity may hinder free competition unfairly or unreasonably, the employee should notify his supervisor and the CEO immediately.

18. Copyright

TRUE employees shall not violate a copyright.

What is Copyright?

Copyright is the right of the owner to reproduce or permit someone else to reproduce copyrighted works. Copyrightable works include:

- literary works such as articles, stories, journals, or computer programs
- pictures and graphics
- blueprints of architecture
- music and song lyrics
- plays and screenplays
- audiovisual recordings such as movies

- sound recordings

If you're not sure if an item is copyrighted, it probably is.

TRUE recognizes and respects intellectual property rights, including copyrights. As part of our goal of maintaining the highest ethical standards of conduct, we are committed to fulfilling our legal obligations with respect to the use of copyrighted works.

The consequences of not complying with copyright law can be very costly, both for TRUE and for the individual employee who violates the law. As a matter both of ethical integrity and of adherence to U.S. copyright law, TRUE sets forth the following policies:

If you did not write or create the article, graphic, or data that you found, then you need permission from the owner before you can copy it. Remember, when you use someone's graphic, HTML, or text without permission, you are **stealing**, and they can take action against you.

Reproduction can include:

- printing a Web page
- copying the HTML, JavaScript or other code of a page
- downloading an image to your hard drive
- printing an image

Most copyright owners on the Web will not object to personal use of their Web pages. For example, if you found a Web page that you wanted to print, most developers would not find it a violation of their copyright if you were to print out the page.

Copyright Notice

Even if a document or image on the Web does not have a copyright notice, it is still protected by copyright laws.

- a. No employee of TRUE may reproduce any copyrighted work in print, video or electronic form in violation of the law, and the easiest way to comply is by receiving express written permission of the copyright holder.
- b. Employees must obtain permission from the copyright holder (or its licensing representative) whenever reproduction or duplication exceeds "fair use" as that term is defined in the copyright law. Determining what is a "fair use" is often a complex legal question, and employees are required to consult TRUE's General Counsel on all questions involving copyright procedures, including the question of what constitutes fair use. Remember, when in doubt, stop and ask before taking action that might violate a copyright.
- c. If TRUE needs a copyright license in order for you to take some action that you contemplate, contact the General Counsel. An attorney from the CEO will negotiate any copyright licenses that TRUE requires.

19. Research Protocols

TRUE employees are required to follow approved human and animal use protocols, obtain or assist in the appropriate review and approval for such protocols. Research and

clinical trials involving human or animal subjects are properly subject to strict regulatory requirements governing the approval and observance of protocols. It is TRUE policy to keep a copy of all necessary reviews, approvals for human subjects, research or clinical trials, approved participant consent forms, and to faithfully comply with all approved protocols. If you have any questions regarding review and approval of or compliance with protocols, or any general questions regarding the rules and regulations applicable to research involving human or animal subjects, contact TRUE's Research Department.

20. Scientific Misconduct

TRUE's Scientific Misconduct Policy #15 which is located on the web in the Research page gives total detail of Scientific Misconduct. TRUE employees are expected to exercise the highest level of integrity in the conduct of science, extending to basic research, animal research and human research trials. Integrity in research is not just the avoidance of wrongdoing, but also the rigor, carefulness and accountability that is expected in good research. This includes an emphasis on quality of research, appropriate supervision, maintenance of accurate and detailed research procedures and results and suitable assignment of credit and responsibility for research and publications, all of which are essential for fostering intellectual honesty and integrity in research. TRUE research personnel are to refrain from all scientific misconduct. If allegations of scientific misconduct are made, TRUE will make an inquiry into and/or investigate the matter. All TRUE employees are required to cooperate with any inquiry or investigation.

21. Data Retention and Access

TRUE research employees must maintain and retain in a responsible manner, original scientific data that is obtained during the conduct of research on TRUE-managed research projects. The original data must be maintained under conditions that will preserve the data safely for the period of time required by Federal laws. TRUE employees are not to transfer original scientific, proprietary, sensitive or confidential data or patient information outside of TRUE without the express written approval of TRUE. Additionally, TRUE research personnel are required to comply with all federal regulations and sponsor requirements concerning retention of and access to research data. Whenever you have a question about data retention and access, contact the TRUE's Research Department

22. Conduct of International Business

TRUE employees conducting business internationally are required to comply with all applicable laws and regulations of the United States and the relevant foreign country or countries. Compliance with such laws, as well as with TRUE policies (including this Business Code of Ethics), are required even if they seem inconsistent with local practice in foreign countries and even if they would place TRUE at a competitive disadvantage.

a. Employees are prohibited from making or offering unlawful payments or bribes. The Foreign Corrupt Practices Act bars the payment or offering of anything of value to officials or politicians of foreign governments, and others, to obtain or retain business. It also requires proper accounting for transactions.

b. Employees are required to comply with import and export controls. U.S. laws and regulations restrict the import and export of goods, services and technical information to various countries, as well as the re-export of U.S. products from other countries. Many foreign countries have similar laws that restrict U.S.

products. TRUE employees are required to comply with these laws to the extent they apply to TRUE and its activities.

c. Employees are required to obey U.S. economic boycott laws and regulations. U.S. laws and regulations restrict or prohibit trading with certain foreign countries and also prohibit U.S. entities, such as TRUE, from complying with certain boycotts imposed by other countries. Anti-boycott regulations also require TRUE to notify the U.S. government of any boycott request received from a foreign government or official. Boycott laws, including the countries affected, change from time to time and must be closely monitored.

d. The application of U.S. and foreign laws and regulations is complex and changes frequently. Sometimes, U.S. law conflicts with foreign law. Whenever you have a question about U.S. or foreign laws or regulations, and if you ever perceive a conflict between U.S. and foreign law, contact TRUE for guidance.

23. Conflicts of Interest

a. This section discusses employee obligations, after hours as well as on the job, in situations known as “conflicts of interest.” TRUE has a right to protect itself from employee conduct or relationships that might harm it or create an appearance of impropriety.

b. All new employees will execute a Conflict of Interest Disclosure form as part of initial in-processing. All employees will update their Conflict of Interest Disclosure forms annually. An employee must make full disclosure on the Conflict of Interest Disclosure form all interests and relationships that may conflict with the interests of TRUE, even if the employee does not believe that an actual conflict exists. For purposes of TRUE’s Conflict of Interest policy, the following definitions apply:

(1) The term “family relationship” includes an employee’s spouse, parent, dependent child or stepchild and any relative by blood or marriage with whom the employee has similarly close personal ties.

(2) The term “close personal relationship” includes an employee’s fiancé, fiancée, significant other or domestic partner.

(3) The term “financial interest” includes ownership interests, investments (other than investments in publicly traded mutual funds), loans, wages, other compensation and any direct or indirect financial interests that place a person in a position where there could be a conflict or the appearance of a conflict between his or her personal interests or affiliations and the interests of TRUE.

(4) The terms “competitor,” “contracting party,” “grant recipient,” “sub-awardees,” “subcontractor,” “supplier” and “customer” include persons or entities who had previously or have currently any such arrangement with TRUE, or who are being considered by TRUE for any such arrangement in the future.

c. A conflict of interest may arise in any situation that, based on the surrounding circumstances, could call into question an employee’s impartiality. An employee is considered to have a conflict of interest whenever he or she, or any of his or her family, has an existing or potential financial or other material interest that either impairs or might appear to impair the employee’s independence and objectivity in the discharge of responsibilities to TRUE. A close personal relationship that might cause an employee to choose between personal interests and interests of TRUE can also be a conflict of interest.

- d.** Employees must disclose, in writing, all actual conflicts of interest and any appearance of a conflict of interest. The appearance of a conflict of interest can affect outside perception of TRUE as much as an actual conflict of interest. When in doubt if a conflict exists, the employee is required to make a full disclosure of the potential conflict, in writing, on the yearly Conflict of Interest Statement.
- e.** Personal relationships or financial interests with competitors, contracting parties, grant recipients, sub-awardees, subcontractors, suppliers or customers of TRUE can create the appearance of a conflict of interest. To avoid the effect of any appearance of a conflict of interest, all family relationships and close personal relationships with and financial interests in competitors, contracting parties, grant recipients, sub-awardees, subcontractors, suppliers or customers of TRUE must be disclosed in writing on the Conflict of Interest form.
- f.** TRUE and its employees must promptly eliminate any conflict of interest or any appearance of a conflict of interest. One or more of the following steps will usually produce an appropriate resolution: limitation of duties, transfer or reassignment, additional supervisory review or any other action considered appropriate by the supervisor and the HR Manager of TRUE
- g.** When an employee discloses a personal relationship or other situation that might give rise to an actual or apparent conflict of interest, an employee's supervisor, in consultation with TRUE's CEO and Ethics Counselor, will take appropriate action to remove any adverse effect to TRUE. Such action will normally include removing the TRUE employee from business contact with the outside party. In some cases, the supervisor, with the express written approval of the CEO, may permit the employee to retain duties concerning the outside party, but in those cases the supervisor will monitor the situation closely to verify that the outside party receives no favoritism or special treatment from the TRUE employee.
- h.** Additional conflict of interest restrictions and related requirements often apply to an employee working on a government contract, grant or cooperative agreement. Violations could result in severe criminal and civil penalties for both the employee and TRUE. Employees who are working on a government contract, grant or cooperative agreement are required to familiarize themselves with the applicable restrictions and requirements that may apply. If in doubt as to any such restrictions or requirements, the employee should consult TRUE's CEO.
- i.** All TRUE employees who are working on research that is funded by the Public Health Service ("PHS," which includes NIH) or by the National Science Foundation ("NSF") either directly or indirectly through sub awards are required to disclose all significant financial interests to TRUE. The significant financial interests to be disclosed are those that would reasonably appear to be affected by the research that is to be funded. Employees are required to familiarize themselves with the applicable requirements. Investigators are required either to certify that they have no significant financial interests or to disclose the significant financial interest before an application is submitted to the agency. If in doubt as to the applicability of this requirement, the employee should consult TRUE CEO and General Counsel. In addition to monitoring compliance by TRUE Investigators, TRUE will monitor compliance by Guest Scientists of TRUE on TRUE-administered programs responsibilities

j. An employee who violates the Business Code of Ethics is subject to the full range of possible disciplinary actions, including termination of employment. Some violations of the Business Code of Ethics are also crimes, punishable under federal or state law.

II. RELATED POLICIES

The Business Code of Ethics is the central TRUE Business ethics policy document. TRUE has many related policies and departmental procedures. When an employee has a question outside the scope of this Business Code of Ethics, then he or she should be aware of other applicable policies. When in doubt about this policy or for questions regarding the applicability and interpretation of laws, regulations or TRUE policies or procedures, the employee should with their supervisor, the Research Department, the Human resource Department or TRUE's CEO.

The following is a partial list of related TRUE policies that employees should consult as appropriate for more detailed guidance on particular topics. A complete list of TRUE policies is available for review through the HR Department, Research department or CEO.

Topics:

Federal Conflict of Financial Interest Disclosure

Conflict of Interest Policy

Drug-Free Workplace

Electronic Communications

Equal Employment Opportunity

Fixed Assets

Lobbying

Patent, Invention and Copyright

Record Access/Retention Requirements

Research Data Retention and Access

Scientific Misconduct

Harassment

Travel Policy & Procedures

Use of Corporate Resources