



Ethics Statement

We are proud of the role that our clients and we play in our nation's national security. We make no apologies for our willingness to openly and ethically petition our government on behalf of its citizens engaged in the commerce of a free enterprise system. Personal integrity and our commitment to the highest standards of personal and professional honesty underlie the ethical culture of Capitol Resources...simply, it is how we do our business.

At Capitol Resources, we expect all of our associates and subcontractors to be guided by the highest standards of personal and professional integrity. The Capitol Resources code of ethics promotes the concept of "doing the right thing and doing it right". Everyday each and everyone associated with Capitol Resources, when faced with a personal or professional business decision, should apply the simple philosophy of "do it because it is the right thing to do".

Responsibility: We will take responsibility for our actions. We will not tolerate any violations of laws, regulations or lapses in ethical behavior within our company or among our clients.

Integrity: We will have the integrity to say what we mean, and stand for what we believe is right for our clients and this country.

Generosity of Spirit: We will strive to be generous in helping those who ask us for assistance. We will do so with respect **for the dignity of the human spirit. We will strive to contribute to the common good.**

Honesty: We will be truthful in all our endeavors; to be honest and forthright with one another, with our clients, and with the Congressional community.

Trust: We will build trust with our clients and our congressional partners through putting forth a good faith effort to deliver on what we promise and to fulfill all our commitments whether written or implied, through a spirit of teamwork and open and candid communication.

Code of Ethics

We are committed to ethical behavior in all that we do. We will conduct our business in accordance with all applicable laws and regulations and are committed to full, accurate, timely and understandable disclosure in all public filings.

Conflicts of Interest

We will take all appropriate steps to recognize and avoid organizational conflicts in which one client's business activities may preclude the pursuit of us representing another client. We must rely on our clients to identify any concerns they may have related to business activities conducted or anticipated by another Capitol Resources client.

Political Contributions

We will follow the law and use common sense in making political contributions and engaging in political activities: Capitol Resources encourages its associates and clients to become involved in civic and political affairs and to actively participate in the political process. Clients must understand that their involvement and participation must be on an individual and free-choice basis. Federal law prohibits Capitol Resources and its parent company from donating corporate funds, goods, or services, directly or indirectly, to candidates for federal offices. Local and state laws also govern political contributions and activities as they apply to their respective jurisdictions.

Gifts, Gratuities, and Social Courtesies to Federal Employees

Federal, state, and local government entities 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 government entities may do business or over whom they have regulatory authority. It is our policy to comply strictly with those laws and regulations.

According to President Obama's Executive Order of 21 January 2009 we will not give any gifts¹ to Executive Branch appointees appointed after 20 January 2009 unless exempted by a personal relationship.² We will not give anything of value to a federal Executive Branch employee, except as follows:

- Modest refreshments such as soft drinks, coffee, and donuts on an occasional basis in connection with business activities; or
- Business-related meals and local transportation having an aggregate value of \$20.00 or less per occasion, provided such items do not in aggregate exceed \$50.00 in a calendar year. Although it is the responsibility of the government employee to track and monitor these thresholds, no one associated with Capitol

¹ 2635.203(b) of title 5, Code of Federal Regulations

² 2635.204(b) of title 5, Code of Federal Regulations

Resources shall knowingly provide meals and/or transportation exceeding the \$20.00 individual or \$50.00 annual limit.

- All exceptions as provided by the long-standing, previous relationship rules.

We will also abide by the House Ethics Rules when dealing with Members and Staff, specifically that the general gift rule states:

“...that a Member, officer, or employee may not accept a gift from a registered lobbyist, agent or a foreign principal, or private entity that retains or employs such individuals.”³

We are observant of the differences between the House and Senate Ethics Rules and comply with these as well including Senate Rule 35.1(a) which sets forth the basic rule on accepting gifts. It states:

(1) No Member, officer, or employee of the Senate shall knowingly accept a gift except as provided in this rule.

(2) A Member, officer, or employee may accept a gift (other than cash or cash equivalent) which the Member, officer, or employee reasonably and in good faith believes to have a value of less than \$50, and a cumulative value from one source during a calendar year of less than \$100. No gift with a value below \$10 shall count toward the \$100 annual limit. No formal recordkeeping is required by this paragraph, but a Member, officer, or employee shall make a good faith effort to comply with this paragraph.

There are certain exceptions to these rules including the following:

Section 1(c)(22) allows a Member, officer, or employee to accept food or other refreshments of a nominal value that are offered not as part of a meal. The Congress has adopted a reasonable, common sense interpretation of this exception, to include a reception where the attendees consume food (typically, hors d’oeuvres) or drink while standing up, as opposed to a sit-down meal; and a “continental” style breakfast, where coffee and donuts, bagels, etc. are served, as opposed to service of a hot meal.

Good Ethics Is Good Business

We are all accountable to ourselves, our company, our clients, and our country. At Capitol Resources we will adhere to the highest standards of professional ethics and integrity. It is the cornerstone of how we conduct our business.

³ Page 30, House Ethics Manual, 2008.