



PHOENIX CABLES INCORPORATED

Company Policy & Code of Conduct

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Ethical Responsibilities

The Company's Management has adopted this Code of Business Ethics and Conduct. The Code applies to all Supervisors and all employees of the Company starting from the top of the organization.

It is each employee's responsibility to be familiar with our Code of Business Ethics and Conduct and adhere to all Company policies and procedures. Claims of ignorance, good intentions or using poor judgment will not be accepted as excuses for noncompliance. Violations of the law or Company policies and procedures will result in disciplinary action, from warnings or reprimands up to and including termination of employment. Maintaining ethical standards is in everyone's interest. If you know of a problem, you cannot remain silent. You must step forward to help solve it!

Supervisors are responsible for the actions of their employees. Supervisors have a special responsibility to create and sustain a work environment in which employees know that ethical and legal behavior is expected of them. Supervisors will be held accountable for making sure that their employees understand and apply the ethical standards set out in the Code. To do so, Supervisors must listen to their employees and act on their concerns. Leadership requires setting a personal example of high ethical standards in the performance of your job.

The term "Supervisor" is used throughout the Code in the general sense, meaning to include any person who directly supervises a Company employee whether that person's actual title is Supervisor, Manager, Director, Vice President, Senior Vice President, Executive Vice President, or other officer of the Company.

Integrity Standard - Compliance with the Law

Policy:

It is the policy of the Company to comply with all federal, state and local laws and regulations which apply to our business. Any questions or concerns regarding specific laws, regulations or any legal issue should be promptly brought to the attention of the General Manager.

If you are unsure about the legality of an action, or a proposed action, contact your Supervisor or the General Manager. If someone tells you to do something you think is wrong, you have an obligation to speak up. The Company has an absolute policy against any retribution or retaliation for bringing forth a good faith concern.

All contracts entered into on behalf of the Company must be executed by Company officers. These officers are responsible for ensuring that such contracts are consistent with Company policies and are in the officer's best business judgment, in the best interest of the Company. In addition, all contracts entered into on behalf of the Company must be reviewed and approved to ensure compliance with applicable laws and regulations.

Integrity Standard - Quality of Service

Policy:

We are committed to providing products and services of the highest quality and value to our customers. In providing our services, we will strive to provide prompt and accurate services consistent with contractual benefits, corporate policies and regulatory requirements.

We will pay all Suppliers and Service Providers promptly and accurately.

We will serve our customers in a professional manner with integrity and respect.

We will comply with all applicable statutes, regulations and instructions that govern our industry.

We will continue to seek new approaches to increase the quality of service delivered to our customers while ensuring that it is delivered in a cost-effective manner.

Integrity Standard - Work Environment

Policy:

We are committed to maintaining a work environment where we treat each other with honesty, dignity and respect. We value the diverse contributions of all people, regardless of their position, sexual preference, family status, age, race, sex, disability, religion or national origin. All employment practices are based on ability and performance.

The diversity of employees is a tremendous asset. Valuing all employees as unique individuals leads to a more productive and fulfilling work environment.

All employees have the right to work in, and the Company is committed to, an environment free from harassment and discrimination, where privacy and dignity are respected and all are protected from offensive, obscene or threatening behavior. The Company will not tolerate sexual advances, actions, comments, inappropriate physical contact or any other conduct that is intimidating or otherwise creates an offensive or hostile work environment.

The Company often needs to acquire and retain personal information on individual employees for effective operation of our Company. It is the policy of the Company to maintain the confidentiality of this information and to limit access to authorized persons who need the information for business or legal purposes.

All employees have a right to, and the Company is committed to, a safe and healthy working environment which is also free from illegal drugs, violence, threats of violence and the influence of alcohol. The Company prohibits the illegal use, sale, purchase, transfer or possession of controlled substances, other than medically prescribed drugs, while on Company premises. Similarly, Company policy prohibits the unauthorized use, sale, purchase, transfer or possession of alcoholic beverages by employees on Company premises.

Integrity Standard - Conflict of Interest

Policy:

We must avoid situations where our personal interests could conflict, or reasonably appear to conflict, with the interest of the Company. We must be free of actual, apparent or potential conflicts of interest when dealing with persons or business entities on behalf of the Company. A conflict of interest occurs whenever an employee permits the prospect of direct or indirect personal gain to improperly influence his or her judgment or actions in the conduct of Company business. It is not possible for the Code of Business Ethics and Conduct to list every type of potential conflict of interest. When in doubt, share the facts of the situation with your Supervisor, the General Manager.

We must award business solely on merit, getting the best value for the Company, and wherever practical, on a competitive basis. Do not conduct business with any firm in which you or your family have a material, direct or indirect, interest (5 percent or greater ownership or control interest).

We may not use information that comes to us in the course of employment for personal investment or gain, nor can we provide this type of information to members of our family or others.

A conflict of interest may also exist if the demands of any outside activity hinder or distract us from the performance of our job -- or even appear to influence our judgment or performance for the Company. Generally, any outside employment with a competitor, provider or entity which does or seeks to do business with the Company is not permitted.

Integrity Standard - Gifts, Gratuities and Kickbacks

Policy:

We maintain the highest standards of integrity and objectivity in dealing with vendors and service providers. We are prohibited from accepting or giving gifts or gratuities beyond common business courtesies of nominal value. Gifts or items of value should never be offered to government employees. Refer to the Corporate Integrity and Compliance Program Manual for the specific limitations applicable to dealing with government employees. Under no circumstances will we accept or give kickbacks in return for improperly obtaining, influencing, or rewarding favorable treatment in obtaining contracts, services, referrals, goods or business.

We will not accept or offer gifts, gratuities or favors, except those associated with common business courtesies of a nominal value of \$50 or less. The value of all gifts received in one year from all sources must not exceed \$100. Gifts exceeding this policy may be made to customers or other persons subject to President, Executive Vice President, or Senior Vice President approval.

We must not offer or accept gifts of cash or cash equivalents to or from any current, former or potential vendor, customer, broker or provider.

Entertainment and meals offered or received by employees as part of legitimate business activity are not included in the \$50 gift limit, but must be within the boundaries of reason and moderation. Generally, raffles and prizes which are part of the business activity are not considered gifts.

Integrity Standard - Accuracy of Records

Policy:

Accuracy and reliability in the preparation of all business records is mandated by law and is of critical importance to the Company's decision-making processes and to the proper discharge of our financial, legal and reporting obligations. We must ensure that all Company records, business expense accounts, vouchers, bills, payrolls, service records and reports, whether electronic or on paper, are reliable, accurate and complete. Transactions between the Company and outside individuals and organizations must be promptly and accurately entered in Company records in accordance with Company policies and procedures. We must never misrepresent facts or falsify records. False or misleading entries on records are unlawful and are not permitted. All records should be stored for the period of time required by applicable law or contract or Company policy, whichever is longest.

We will keep accurate, true and complete Company records. We must never create a false or misleading record including, but not limited to, vouchers, financial information, performance measurement data, payroll records, fixed asset records, benefits enrollment forms or claims, expense accounts or other records pertaining to Company business. Nor will we improperly alter or make false entries on, or willfully fail to make correct entries on, any Company record or document.

We will create and submit only true and accurate reports. We must not create or submit false or misleading reports of operating statistics or measurements, such as sales reports, performance data and utilization data. If you are not sure of the accuracy or reliability of information, take steps to verify it or immediately contact your Supervisor for advice.

We will preserve and maintain Company records in accordance with the Company's document retention policies. We must not improperly destroy any corporate accounts, records or other official Company documents. Nor will we improperly alter or make false entries or willfully fail to make correct entries on any Company record or document. When litigation, or a government audit or investigation is imminent or pending, our normal document destruction procedures will be suspended until all documents relevant to the litigation, audit or investigation can be identified and segregated.

We will follow appropriate Company procedures to ensure that errors are corrected, as they become known, through credits, refunds or other mutually acceptable means.

We will record all Company transactions in accordance with generally accepted accounting practices and principles or statutory accounting principles.

Integrity Standard - Confidentiality of Information

Policy:

We must protect the confidentiality of the information handled by the Company. Because these documents and records often contain confidential business information, it is critical that information from these documents and records not be improperly disclosed to third parties. We will take precautions to avoid inadvertent or inappropriate disclosures of confidential or privileged information, records or documents. Within the Company, we will share confidential information only with those employees who have a legitimate need to know the information. We will maintain and protect the confidentiality of information handled by the Company and other proprietary or confidential information even after termination of employment with the Company.

Proprietary Business Information

We will not give confidential or proprietary Company information to unauthorized persons, such as competitors, suppliers or outside contractors without proper authorization. This includes financial information, customer lists, discounts, special prices, computer data and computer programs, as well as descriptions of Company processes or operations. These requirements continue to apply even after you leave the Company's employment.

Integrity Standard - Fair Competition

Policy:

The Company is committed to a policy of vigorous, lawful and ethical competition, which is based on the merits of our products and services. We will maintain the trust of our customers and providers by developing and providing high-quality products and services in a fair, ethical and legal manner.

We will maintain our customer's trust by striving to ensure that our sales materials, advertisements and other communications accurately and fairly describe our products and services.

We will promote our products and services through fair and accurate comparisons with our competitors.

It is the policy of the Company to comply with all applicable antitrust and competition laws. These laws are very complex but, in general, they prohibit agreements or conduct that may restrain trade or reduce competition. They are intended to provide a variety of products and services at competitive prices.

We will avoid all contracts, agreements and understandings, which unlawfully reduce or eliminate competition or the production or sale of products or services.

We will refuse any agreements with competitors to establish or fix prices or to divide or allocate markets either by market segment, geography or by any other

means.

We will exercise special care to ensure that our discussions and activities with representatives of other companies are in compliance with antitrust laws.

Employees who have questions about potential antitrust implications or anti-competitive practices should contact the General Manager.

We will compete fairly. Information about competitors, customers and providers is a valuable asset in a highly competitive market. However, no illegal or unethical means of obtaining this information will be tolerated. No information should be sought or used that would violate antitrust laws, or laws and contracts protecting proprietary data.

Integrity Standard - Proper Use of Corporate Assets

Policy:

Company assets are to be used for the benefit of the Company. Company assets include, but are not limited to, equipment, furniture, office supplies, corporate funds, employee time, computer supplies and software. In addition, Company assets also include corporate data, business strategies and plans, financial data and other proprietary or confidential information about the Company business or its employees. We have a responsibility to protect the Company's assets and to ensure that they are used exclusively for valid Company purposes.

We will use and maintain Company assets with the utmost care and respect, guarding against waste, abuse, loss and theft. We will not give confidential or proprietary Company information to unauthorized persons such as competitors, suppliers, or outside contractors without proper authorization.

We will not make unauthorized copies of computer software programs or use personal software on Company computer equipment. The creating or loading of unauthorized software onto Company-owned PCs, workstations or other computer systems is strictly prohibited. Such unauthorized actions could cause the destruction of information or computer systems, or other technical problems (for example, incompatible drivers or commands, or viruses) or other substantial harm, if not approved by and coordinated with appropriate Company personnel in advance. In addition, the unauthorized copying or use of unauthorized software could be a violation of federal copyright laws and could result in civil and/or criminal liability.

Integrity Standard - Cooperating with the Government

Policy:

We cooperate with all reasonable requests for information from governmental agencies. All information provided shall be truthful and accurate. Requests for information other than routine forms must be forwarded to the General Manager.

We must always show respect for government and regulatory officials.

We must always provide accurate and complete information to government agencies. We must ensure that information we provide to government agencies includes all material facts necessary to ensure that the information submitted is not misleading.

We must never lie or make false or misleading statements, whether oral or written, to any government official or agency.

We must never attempt to persuade any Company employee, or any other person, to provide false or misleading information to a government official or agency.

We must never destroy or alter any Company document or record in anticipation of or following a request for the document or record by a government agency or court.

We will abide by all applicable laws, rules and regulations relating to gifts and entertainment of government officials and employees. See, the [Gifts, Gratuities and Kickbacks](#) Integrity Standard.

If approached by any person who identifies himself or herself as a government investigator, you should contact the General Manager immediately. A representative will then assist you in following proper procedures for cooperating with the investigation.

Do not feel pressured to talk to a government investigator without first contacting Management. It is our policy to provide legal consultation to any employee who is contacted in connection with a government investigation of the Company.

Integrity Standard - Political Activity

Policy:

Federal laws restrict the use of corporate funds in connection with federal elections and there are similar laws in many states. It is the policy of the Company that neither Company funds, the Company name, nor Company facilities shall be used directly or indirectly for political purposes on behalf of candidates for political office, political parties or elected incumbent office holders at any level, federal, state or local, except as permitted by law. The Company will not reimburse employees for contributions to political candidates or causes.

Employees are encouraged to vote and participate fully in the political process. However, we cannot use Company resources to vote and be active in political activities. We must do it on our own time and at our own expense. The Company will, however, comply with the requirements of any applicable laws entitling employees to excused "time off" for voting.

Conclusion

This Code of Business Ethics and Conduct reflects the Company's commitment to the highest standards of legal and ethical business conduct. The Code does not contain all Company policies or include all details regarding any policy. Rather, the Code sets forth the fundamental legal and ethical principles for conducting all aspects of Company business.

Detailed policies and procedures for conducting Company business are contained in:

***The Quality Assurance Procedures;**

***The Company Employee Manual;**

as well as other Company manuals, instructions and directions applicable to particular job functions, all of which are available to the Company's employees. The Company reserves the right to modify the Code of Business Ethics and Conduct and at any time as it deems appropriate. Revisions will be provided to all employees.