

**VERI-TEK INTERNATIONAL, CORP.'S  
COMPLIANCE WITH LAWS  
AND  
BUSINESS INTEGRITY AND ETHICS  
POLICY**

**Introduction**

Veri-Tek International, Corp.'s Board of Directors has adopted a Business Integrity and Ethics Policy and Compliance Policy. These policies serve to establish the "tone at the top" as to what is expected of Veri-Tek employees at all levels within Veri-Tek.

**Persons Covered**

This Policy covers all employees, officers and members of the Board of Directors of Veri-Tek ("Covered Persons"). The Board has concluded that Veri-Tek's values and standards of proper business conduct apply equally to all Covered Persons and that there is no need to make any distinctions based on function or level within Veri-Tek.

**Entities Covered**

This policy is applicable to Veri-Tek and all subsidiaries, affiliates, partnerships and other business organizations over which Veri-Tek has control. As to business ventures in which Veri-Tek is involved other than those over which it has control, Veri-Tek shall exercise its power and authority as a shareholder or participant to attempt to cause this policy to be adopted and implemented.

**Governing Principle**

The fundamental principle governing corporate actions and the actions of all employees, officers and Board members is that ethics and business are inseparable at Veri-Tek. Veri-Tek business objectives can be achieved only by following the highest ethical standards and complying with all the local and national laws and regulations that pertain to its operations. Business and functional units shall seek to ensure that Covered Persons are familiar with the laws, regulations and corporate standards of business conduct that govern their areas of responsibility and that they fully comply with those external and internal requirements. Any lapses in compliance must be reported to an appropriate level of management and compliance must be restored promptly.

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**Conflicts of Interest**

No employee, officer or Board member may have a personal, financial or family interest that could in any way prevent the individual from acting in the best interests of Veri-Tek. All Covered Persons must be sensitive to appearances of conflicts of interest as well as to actual or potential conflicts of interest.

- Actual or potential conflicts of interest can take many forms including, for example, employment, consulting or agency relationships, business investments, receipt of improper personal benefits, and competition with Veri-Tek.
- All actual or potential conflicts of interest must be reported to management promptly.
- Any conflict of interest waiver relating to Board members or Executive Officers may only be made after review and approval by the Board upon the recommendation of its Governance and Nominating Committee.
- Any such waiver must be publicly disclosed to the extent required by law.

**Corporate Opportunities**

Employees, officers and Board members are prohibited from taking for themselves business opportunities discovered as a result of their position with Veri-Tek. All such opportunities belong to Veri-Tek and may not be used by Covered Persons for personal gain unless first offered to Veri-Tek and rejected by it.

**Financial Integrity**

Veri-Tek shall maintain its books and records at all times consistent with the requirements of generally accepted accounting principles. All Covered Persons shall undertake to insure that Veri-Tek's records will fairly reflect its transactions and its assets.

- No unrecorded funds shall be established.
- No false entry or entry that obscures the purpose of the underlying transaction shall be made in the books and records of Veri-Tek.

- No payment on behalf of Veri-Tek shall be authorized or made by any Covered Person with the intention or understanding that any part of such payment is for a purpose other than that described by the documents supporting the payment.
- No funds or assets of Veri-Tek shall be used to make any payment for any unlawful purpose or to influence or attempt to influence improperly any other person.

### **Inside Information**

Non-Public information that may be considered “material” to investors and others shall be disclosed to the public only by an authorized Veri-Tek representative. Until such disclosure is made, such information, often referred to as “inside information”, shall be retained in strict confidence. Specifically, Covered Persons shall not:

- Disclose inside information to any outside person or group until the information has been publicly released by Veri-Tek,
- Disclose inside information to any other Covered Person except on a strict need-to-know basis,
- Take any economic or personal advantage of any such information, such as buying or selling stock or other securities of Veri-Tek or of any other Veri-Tek which the inside information may pertain.

### **Compliance Program Elements**

Each Veri-Tek business unit shall determine the significant compliance risks related to its business and establish such practices and procedures as are necessary to adequately prevent and detect noncompliance.

- No delegation of authority shall be made to any individual with a known propensity to engage in illegal activities.
- Reasonable steps shall be taken to train Covered Persons regarding compliance standards and procedures.
- Monitoring and auditing programs that are reasonably designed to detect illegal conduct by Covered Persons, and a reporting system under which violations can be reported, shall be established.
- Appropriate disciplinary action shall be taken against those Covered Persons who violate this policy.
- If a violation is detected, Veri-Tek or the relevant business unit shall take all reasonable steps to respond appropriately and prevent a recurrence.

## **Reporting Irregularities**

Any Covered Person who becomes aware of a violation or potential violation of this Policy must promptly report that information to a supervisor or call the director of corporate audits or the general counsel. Any employee may submit information regarding questionable accounting or auditing matters to the General Counsel at [GeneralCounsel@Veri-Tek.com](mailto:GeneralCounsel@Veri-Tek.com). Any retaliation or threatened retaliation against any Covered Person who reports a violation or suspected violation of this Policy is strictly prohibited.

**VERI-TEK INTERNATIONAL, CORP.'S  
PROCEDURES FOR THE RECEIPT, RETENTION AND TREATMENT OF  
COMPLAINTS**

**Sarbanes-Oxley Act Section 301 Requirements**

The Sarbanes-Oxley Act of 2002 (“SOX”) Section 301 requires that each audit committee establish procedure for the receipt, retention and treatment of complaints received by Veri-Tek regarding accounting, internal accounting control or auditing matters; and confidential, anonymous submissions by employees of Veri-Tek of concerns regarding questionable accounting or auditing matters.

**Guidelines for Reporting**

Complaints or concerns regarding accounting, internal accounting controls or auditing matters may be submitted by employees and/or third parties to the General Counsel (“GC”) at [GeneralCounsel@Veri-Tek.com](mailto:GeneralCounsel@Veri-Tek.com). Concerns received by through the Business Help email, which accepts anonymous submissions, are forwarded to the GC. All complaints received by the GC are reviewed and validated. The GC has an affirmative duty to report all issues for which the GC has credible evidence of a material or potential violation of any applicable securities laws, fiduciary duty, or similar violation to the Audit Committee (“AC”) in a timely manner. The GC is not required to bring issues to the AC until the GC had credible evidence. However, the GC may bring any issue to the attention of the AC if, in the GC’s opinion, it is necessary and appropriate to inform the AC.

When the GC brings an issue to the AC, the AC and the GC will collaboratively discuss the issue and agree to a course of action which may include an internal investigation by the GC, Corporate Security, Human Resources Department, the Legal Department or appropriate Division representative, or the hiring of outside counsel.

The GC will maintain appropriate records for all issues presented to the AC and provide updates. The GC will retain issue related documentation in accordance with Veri-Tek’s record retention policy.

In the event that a complaint is received concerning the GC, the complaint will be sent directly to the Chairman of the AC. The Chairman of the AC will decide the appropriate course of action.

Third party reporting procedures are posted on Veri-Tek’s internet website in the Investor Relations-Compliance Section.

No employee shall suffer retaliation in any form for reporting, in good faith, suspected violations of the Business Code of Conduct.