

LOYOLA ENTERPRISES, INC.

POLICIES & PROCEDURES

CLASSIFICATION: Employment Practices

Number: I-8

SUBJECT: Conflict of Interest and Outside Employment Statement

Effective Date: 06-17-98

Revision Date: 07-09-09

General Statement

LOYOLA expects our employees to conduct business according to the highest ethical standards of conduct. Employees are expected to devote their best efforts to the interests of the Company. Business dealings that appear to create a conflict between the interests of the Company and an employee are unacceptable. The Company recognizes the right of employees to engage in activities outside of their employment which are of a private nature and unrelated to our business; however, the employee must disclose any possible conflicts so that the Company may assess and prevent potential conflicts of interest from arising.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth the ones which most frequently present problems. If an employee has any question whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact the Human Resources Department to obtain advice on the issue. The purpose of this policy is to protect employees from any conflict of interest that might arise.

An example of a potential or actual conflict of interest is whenever an employee is in a position to influence a decision that may result in a personal gain for the employee or an immediate family member (i.e., spouse or significant other, children, parents, siblings) as a result of the Company's business dealings.

A violation of this policy will result in immediate and appropriate discipline, up to and including immediate termination.

Outside Employment

Employees are required to notify the Human Resources Department, in writing, prior to participating in additional employment opportunities. Approval will be granted unless the activity conflicts with the Company's interest. In general, outside work activities are not allowed when they:

- prevent the employee from fully performing work for which he or she is employed at the Company, including overtime assignments;
- involve organizations that are doing or seek to do business with LOYOLA (including actual or potential vendors or customers), competitors of the Company; or
- violate provisions of law or the Company's policies or rules.

From time to time, LOYOLA employees may be required to work beyond their normally scheduled hours. Employees must perform this work when requested. In cases of conflict with any outside activity, the employee's obligations to the Company must be given priority. Employees are hired

and continue in LOYOLA'S employment with the understanding that LOYOLA is their primary employer and that other employment or commercial involvement which is in conflict with the business interests of LOYOLA is strictly prohibited.

Acceptance of Gifts

No employee may solicit or accept gifts of significant value (i.e., in excess of \$50.00), lavish entertainment or other benefits from potential and actual customers, suppliers or competitors. Special care must be taken to avoid even the impression of a conflict of interest.

Any employee may entertain potential or actual customers if such entertainment is consistent with accepted business practices, does not violate any law or generally accepted ethical standards and the public disclosure of facts will not embarrass the Company. Any questions regarding this policy should be addressed to the Human Resources Department.

Work Product Ownership

All LOYOLA employees agree that LOYOLA retains legal ownership of the product of their work. The work product is the sole and exclusive property of LOYOLA. No work product created while employed by LOYOLA can be claimed, construed, or presented as property of the individual, even after employment by LOYOLA has been terminated or the relevant project completed. This includes written and electronic documents, drawings, specifications, database files, manuals, notes, computer programs, proposals, any concepts, ideas, or other intellectual property developed for LOYOLA, regardless of whether the intellectual property is actually used by LOYOLA. Although it is acceptable for an employee to discuss a portion or the whole of a certain work product as an example in certain situations (i.e., resume, employment interview), one must bear in mind that information classified as confidential must remain so even after the end of employment, and that supplying certain other entities with certain types of information may constitute a conflict of interest.