



Code of Business Conduct and Ethics:

Our Shared Responsibility

Introduction

Dear Employees and Board of Directors:

Esterline companies strive to achieve the highest standards of business conduct and ethics. All employees and Directors must be committed to these core values and must share these responsibilities:

Quality

We deliver excellent products and services to our customers.

Respect

We treat employees, customers, and all people with respect at all times. We protect company assets and use them wisely.

Integrity and Ethical Conduct

We honor our commitments. We are truthful in our communications and records. We avoid conflicts of interest and even the appearance of improper influence. We compete fairly. We adhere to the highest standards of integrity in our relationships with customers, suppliers, shareholders and colleagues.

Lawful Conduct

We comply with both the letter and the spirit of all applicable laws.

We count on you to support these values and to apply them every day in the work you do. We also count on supervisors and managers to provide training and guidance to help employees understand their ethical responsibilities.

In addition, Esterline companies are responsible for:

- Managing our businesses to achieve profits and growth, which provides more opportunity for everyone.
- Providing equal career opportunity to you, consistent with your demonstrated abilities, your initiative, and with our business needs.
- Promoting an informal atmosphere, so you can enjoy your work and share information and opinions easily, without regard to the position you hold.
- Keeping you informed about the business, and providing an open door for your comments and ideas.

- Listening to your questions, and providing prompt, straightforward answers.
- Providing a safe, orderly, and clean work environment.

This revised Code of Business Conduct and Ethics has been developed to guide your work and to help us all identify any potential problems. Although this booklet cannot address every situation, it summarizes the company's responsibilities and expectations for employee and Director business conduct. It will help you recognize situations that might create an ethical issue, and help you decide what to do. Read this book carefully, and take it seriously.

Be sure you get help when you need it. When you have a question, ask your supervisor or your ethics officer. If you prefer, please contact the Ethics Hotline through our website, by telephone, or in writing. Every employee and Director has responsibility to ask questions and express concerns regarding proper business conduct.

Let's help one another do the right thing.

Best regards,

A handwritten signature in cursive script that reads "R. Bradley Lawrence". The signature is written in black ink and is positioned above the typed name and title.

R. Bradley Lawrence
President and Chief Executive Officer
Esterline Technologies Corporation

Our Responsibilities

Quality of Products and Services

We deliver excellent products and services to our customers.

Customer specifications, government regulations, and internal company requirements set the quality standards for our products and services. In combination, they establish the goals we must meet. We are committed to these standards. We strive to build them into every product we sell, and to incorporate them into every service we provide.

Your responsibility:

- Comply with all customer, government, and company quality requirements by ensuring your work product meets applicable specifications and test criteria.
- Follow all company quality procedures that apply to your work.
- Conduct, report, and document accurately and completely all required product inspections and performance testing.
- Report any discrepancies or problems to your supervisor or quality engineer.

Respect for People

We treat people with respect at all times.

We value the variety of backgrounds, viewpoints, practices, and abilities in our workforce and our business partners. We believe this diversity makes us stronger.

We will not tolerate rude, disrespectful, discriminatory, or harassing conduct by our employees. Nor will we allow our employees to be treated in such ways.

Your responsibility:

- Show courtesy and respect to your coworkers, subordinates, supervisors, and managers.
- Show the same respect to everyone you encounter—customers, suppliers, contractors, and others—regardless of the person's status, the setting, or the type of business dealing.
- Talk with your supervisor, contact human resources, or follow the procedure in your employee handbook if you have any questions or concerns about disrespectful conduct, discrimination, or harassment.

Use of Company Resources

We protect company assets and use them wisely.

Every employee and Director must preserve company assets. These include physical assets such as property, buildings, vehicles, tools, equipment, and supplies. They also include intangible things such as time, confidential information, intellectual property, and the company's reputation.

Your responsibility:

- Use company assets only for authorized business purposes, unless company rules permit their personal use.
- Maintain and protect any equipment or material furnished by our customers or suppliers.
- Avoid waste and unnecessary expenses.
- Use your work time efficiently, based on business priorities.

Ethics in Action

Question: A company truck is not currently being used, and I want to use it to move furniture to my new apartment. I plan to pay for the gas. Is this okay?

Answer: No. Company policy does not permit the use of company vehicles for personal needs. However, if an employee drives a *permanently assigned* company vehicle, that employee may use it for personal activities, consistent with other applicable company policies.



Question: During lunch I often use my company computer to send personal email and do research on the Internet. Is this acceptable?

Answer: If you limit your personal use of the computer to lunch and before and after work, it is usually acceptable. However, it is *never* acceptable to use company equipment in a way that violates other company policies; for example, to gamble, view pornography or send offensive messages.

Intellectual Property & Confidential Information

In our work, we have access to confidential information that belongs to the company, customers or its suppliers. “Confidential information” means private or proprietary business, technical, or trade secret information and other information that may be useful to competitors or otherwise harmful to the company or its customers or suppliers if disclosed. For example, the company’s designs, processes, formulas, ideas, and plans for future development are confidential information. Personnel records and pay information are also confidential, as are business and financial data involving sales levels, markets, customers, suppliers, pricing, or profits.

Using or disclosing any confidential information without a valid business reason may harm the company’s business or the business of our customers or suppliers.

In addition, we must respect intellectual property that belongs to others, and not use it in our work without authorization.

Your responsibility:

- Do not reveal confidential information to *anyone* who does not have a valid business need to know the information (including employees of our company). This rule applies even after you leave the company as an employee or Director.
- Keep good records of any inventions you are involved in and disclose them to your supervisor. Do not use ideas or inventions that belong to other people or other companies.
- Follow the Confidential Information Agreement, Invention Agreement, or any similar agreement that you signed when you began working with the company.
- When in doubt, treat company information as confidential.
- Do not duplicate copyrighted material, or modify it without prior permission from the copyright owner.

Ethics in Action

Question: After starting work here, I realize that a sub-assembly I designed for my former employer would solve a problem I’m facing in my current work. May I use this design?

Answer: You may not use your former employer’s confidential information in your work at our company. If this sub-assembly design is confidential or patented, using it would be unethical and could be unlawful. On the other hand, if it is now on the market and not protected by patent, it might be available for use. Talk with your manager before going further.



Question: I am scheduled to interview a candidate for an R&D position tomorrow. She will want to know about our company's future product development and business plans. What can I tell her?

Answer: Good question! Consult with your president and human resources to decide what information should be protected and how to handle this part of your interview. Recognize this candidate might be interviewing with your competitors also. Be sure everyone else on the interview schedule gets appropriate guidance.

Accurate Communications and Records

We are truthful in our communications and records.

We rely on company communications and records to make business decisions and to produce reports to management, shareholders, creditors, customers, government agencies, and others. Therefore, it is essential that we keep accurate and complete books of account and other records.

For our shareholders and by law, our financial statements, books, and records must accurately reflect all company transactions. Further, no undisclosed or unrecorded fund may be established for any purpose.

Your responsibility:

- Be truthful in all of your communications within the company, whether they are oral or written.
- Make complete and accurate records of your work time and your attendance.
- Supply proper documentation when submitting charges and expenses to your finance department.
- Make sure all customer billings are accurate.
- Make sure all customer billings have been properly screened to eliminate unallowable or non-billable costs or fees.
- Comply with all other company accounting policies and procedures.
- Provide accurate information when you are authorized to speak on behalf of the company with auditors, customers, government representatives, or other persons.

Ethics in Action

Question: I supervise several projects for a particular customer. Due to unforeseen tooling costs, one of those projects is over budget. The other projects, for this same customer, are at or below budget. May I transfer portions of the tooling cost overrun to the other projects?

Answer: No. All costs relating to a specific project must be charged directly to that project.

Expense Reports

Company policy provides reimbursement of reasonable expenses incurred by those who travel on business and to company-sponsored events.

Your responsibility:

- Travel economically.
- Use discounted company contracts in the selection of airlines, vehicle rentals, and accommodations.
- Prepare expense reports promptly, accurately, and truthfully.
- Charge all expenses to the contract or activity to which they are related.
- Submit for reimbursement only expenses that are properly incurred and documented for company business purposes.

For more specific rules regarding allowable business expenses, see your company's expense reimbursement policy.

Compliance with Laws

We comply with both the letter and spirit of applicable laws.

Every one of us must comply with the letter and spirit of all applicable laws and regulations, and with the provisions of this Code of Business Conduct and Ethics. In all our business relationships, we must comply with the domestic and foreign laws and regulations affecting our business. These laws include, but are not limited to, federal and state securities and business laws (including those of the Securities and Exchange Commission), antitrust laws, export control and import laws, international laws, the Foreign Corrupt Practices Act, equal employment opportunity/affirmative action laws and environment, health & safety laws. This Code sets forth more specific guidelines relating to (i) environmental laws (see below), (ii) antitrust laws (see "Fair Dealing—Antitrust and Trade Restrictions" below) and (iii) the Foreign Corrupt Practices Act and export control laws (see "International Business Practices" below).

Environmental Compliance

Our company is committed to complying with environmental laws and regulations, and to minimizing the impact of its operations on the environment. All employees must do their part to ensure we meet this commitment.

Your responsibility:

- Comply with all applicable environmental laws and regulations. For example, use and dispose of chemicals properly.
- Immediately report all environmental threats.
- Maintain all required environmental documentation completely and accurately.

Inside Information and Stock Transactions

Trading on inside (insider) information is both illegal and against Esterline policy. Trading on inside information exposes both the company and the individuals involved to serious legal consequences.

Your responsibility:

- *Do not* buy or sell company stock when you are aware of business information that has not become public.
- *Do not* buy or sell the stock of any other publicly held company while you are aware of meaningful non-public information.
- *Do not* disclose any meaningful non-public information about our company or about any other publicly held company.
- Directors and officers need to comply with the terms of the company's separate insider trading policy.

If you have questions about whether you have inside information that could restrict your investment decisions, be sure to talk with your supervisor or ethics officer.

Ethics in Action

Question: I just got a tip from one of our customers who told me his company landed a big contract that will double their profits this year. I want to purchase some of their stock before this information becomes public and the price goes up. Is that okay?

Answer: It's not okay. You may not purchase this stock until the public knows the financial information. Using this insider information for personal gain is not only a violation of a customer's trust, but also a serious violation of federal securities law.

Conflicts of Interest and Corporate Opportunity

We avoid conflicts of interest, and even the appearance of improper influence.

All employees are expected to avoid situations in which their own personal interests conflict with their job duties. All employees must also avoid situations that might raise a conflict, and those that create an appearance of improper influence.

There must be no question about the integrity of our company's decision-making. Employees who are in a position to make or influence company business decisions must be alert to possible conflicts of interest, regardless of whether the conflict is real or perceived. When first hired, employees in sales, purchasing, and exempt positions should fill out the company's form on outside business interests. You must update it whenever any of the information changes.

In the case of outside activities by Directors, the Board of Directors or a designated Committee of the Board shall review and consider, among other things, competition issues to determine whether other responsibilities and roles of a Director do or could impair the Director's ability to act in the best interests of the company. In such cases, the designated Committee will make recommendations to the Board on the proper handling of the situation. The appropriate Committee or any individual member of the Board of Directors may suggest that an individual Director refrain from any participation on a matter or group of matters when there is the potential for an actual or potential conflict of interest.

Your responsibility:

- Do not perform any kind of work for one of our competitors, suppliers, or customers.
- Inform your supervisor, or the Board of Directors in the case of Directors, whenever you consider taking an outside job or doing other outside work, and obtain approval in advance.
- Do not maintain a substantial financial interest in one of our competitors, suppliers, or customers, or permit an immediate family member to do so.
- Do not supervise or make employment decisions about a family member or close friend.
- Do not work in human resources or in other jobs with access to confidential personnel information if you have a family member or a close, personal relationship with another employee who works elsewhere in the company.
- Do not accept gifts, payments, or services from anyone who seeks to do business with our company, except as allowed under the Business Courtesies, or International Business sections below.
- Do not represent your company in any matter in which you, your family, or someone with whom you have a close personal relationship has any significant personal interest.
- Report any actual or potential conflict of interest to your supervisor, or the Board of Directors in the case of Directors, as soon as the situation arises.

Ethics in Action

Question: A customer has asked me to buy a boat with him. We plan to charter it and also share it for personal use. I deal with this individual at least once a month while performing my job. Is this okay?

Answer: Probably not. Be sure to talk with your supervisor or ethics officer. Personal financial transactions with customer representatives could affect your ability to perform your job responsibilities objectively. Any personal favoritism or disputes could spill over into the business

relationship and cause problems for the company. Also, the customer will probably have similar concerns.



Question: I want to start a consulting business that will target small businesses. Is this a conflict of interest?

Answer: It is important that you first discuss this activity with your supervisor or ethics officer because it could be a conflict. For example, it would be a conflict of interest if: (1) the service offered by your outside business is similar to what you do for the company; (2) the customers of your business include company vendors, suppliers, customers, or competitors, or firms that we would want as customers; (3) there is a possibility that our company's proprietary information could be used in your business; or (4) the outside work interferes with your company job.

We do not personally gain from corporate opportunities.

Employees, officers and Directors may not take for themselves personally opportunities that are discovered through the use of corporate property, information or position. They also may not use corporate property, information, or position for personal gain.

Employees, officers and Directors must never compete with the company and not enter into unauthorized business relationships with competitors.

Employees, officers and Directors should advance the Company's legitimate interests when the opportunity to do so arises.

Ethical Conduct of Company Accounting and Financial Employees

The company's accounting and financial employees must conduct themselves in accordance with all applicable ethical obligations that govern their profession. The company establishes and maintains internal procedures and controls to ensure the integrity of the company's financial reporting and legal compliance.

Financial and accounting employees shall observe strict ethics and conflict of interest guidelines with respect to the company's relationship with outside auditors including, but not limited to:

- Employees shall not manipulate, pressure, or coerce an auditor in order to mislead the auditor.
- Employees shall not hire individuals who have performed audit services for the Company for the period of time required by securities regulations.
- Employees will not utilize auditors for other non-audit services that would foster an improper conflict of interest or is otherwise prohibited by law.

Business Courtesies

Accepting Business Entertainment or Gifts

You may accept meals or entertainment of nominal value in connection with performing company business. "Nominal" will depend on the circumstances. In general, nominal means something small, a gesture, or social courtesy. You should not accept any business entertainment or gift that is lavish or too frequent. When in doubt, ask your supervisor, or decline the offer.

Special rules apply to international business dealings. See the International Business section below.

Your responsibility:

- Decline any meal or entertainment if it appears to be an attempt to obtain favorable treatment.
- Decline any gifts of more than nominal value from any firm that has or seeks a business relationship with our company.
- Decline any loan arrangement or payment from any firm that does business or seeks to do business with your company. This does not refer to normal market loans made by recognized financial institutions.
- Refuse any side payments that a supplier offers you. Report such offers to your supervisor or ethics officer.
- Ensure the total net price is stated on purchase orders, invoices, or similar records.
- Accept or offer discounts only if properly authorized by management.

Ethics in Action

Question: Is it okay if one of our major suppliers buys me dinner?

Answer: If the dinner price is reasonable, and if this happens infrequently, it's probably okay. However, you should consider how accepting this courtesy appears to other vendors or to your fellow employees. Be sure that you feel comfortable with how your conduct will be perceived by others.



Question: I just received an expensive fishing reel from a supplier with a card that says "Merry Christmas." May I keep it? (I love to fish!) What if the gift were a box of prime steaks?

Answer: You may not keep either item. Employees may only accept nominal gifts from a supplier, and neither gift is nominal. Non-perishable items should be returned to the donor. If the gift is perishable, it should be donated to a local food bank in the name of the supplier. In either case, send a polite thank-you letter and an explanation that it is company policy to decline business gifts of more than a nominal value.



Question: I attended a seminar at my company's expense, and I won one of four door prizes in a raffle. May I keep it?

Answer: Probably, yes. The random selection of prizewinners avoids an appearance that the prize might influence your company business decisions. However, if the door prize were of significant value, you would need to discuss the matter with your supervisor or ethics officer.

Providing Business Entertainment or Gifts

We prohibit giving gifts of more than nominal value in dealing with any business.

When dealing with non-government personnel, you may follow commonly accepted business practices of furnishing meals or entertainment of reasonable value in connection with business discussions.

Special rules apply to government employees. See the Government Contracting section below.

Your responsibility:

- Ensure that any meals, refreshments, or entertainment are in the ordinary course of business.
- Document all business entertainment expenditures so they can be monitored and properly recorded on the company's books.
- Do not offer a customer any payment or other valuable favor in exchange for their business.
- Be aware of any rules prohibiting some individuals from accepting common business courtesies, and comply with those rules.

Fair Dealing

It is our policy that each employee, officer and Director will try to deal fairly with the company's customers, suppliers, competitors and employees. No one should take unfair advantage of another through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice.

Purchasing

We buy only materials and services that will meet our performance, quality, and delivery requirements. We buy these from qualified suppliers at the lowest total cost. If your job involves purchasing, your purchasing decisions must be free from conflicts of interest.

Your responsibility:

- Meet the highest ethical standards in source selection, bid awards, and contract negotiation.
- Encourage competition among our suppliers.
- Accept for use only those goods that meet contract specifications and quality standards.

Ethics in Action

Question: A vendor offered to provide free air transportation between his company's separate plant locations in Reno, Lake Tahoe and Las Vegas. May I accept?

Answer: You may accept only if the travel is in conjunction with legitimate business dealings with that vendor. Be sure to talk to your supervisor about this one.

Selling

We compete ethically and fairly. We sell our products and services by educating customers about the advantages and solutions we can provide. Any critique of competing products must be accurate and fair.

Your responsibility:

- Make only accurate representations to our customers and the public.
- Disclose and clearly define proposed contract terms.
- Do not engage in illegal or unethical competitive practices, such as obtaining unauthorized proprietary information from competitors or customers, or spreading rumors that impact competition.
- Decline to sell products or services if illegal or unethical activities are required to win the sale.

Kickbacks

A "kickback" is an under-the-table payment that a seller gives a buyer in exchange for business. It is a type of bribe, and it is illegal.

Your responsibility:

- Do not offer or give any form of bribe or kickback to a customer. Doing this subjects you to criminal prosecution.
- Do not accept any kickbacks. If one is offered to you, immediately tell your supervisor or ethics officer.

Ethics in Action

Question: My job involves selling jet engine parts to a customer. A customer purchasing agent quietly told me he could get our company 10% more for our parts if I agreed to split the increase with him. I promised not to tell anyone about this conversation. The higher price would mean more money for the company, and a bigger sales bonus for me. Should I take the business?

Answer: No. And you can't keep this a secret. Be sure to talk with your supervisor, ethics officer, and the company president. This is a sensitive issue regarding your company's business relationship with this customer, and it could result in a criminal charge.

Antitrust and Trade Restrictions

We compete fairly.

All of our sales—whether domestic or international—are governed by U.S. antitrust laws. Our international activities also may be subject to the antitrust laws of foreign nations, or of organizations like the European Union.

Generally speaking, antitrust laws prohibit competitive activities that restrain trade. They prohibit agreements or actions among competitors to fix or control prices; boycott certain suppliers or customers; divide up products, territories, or markets; or limit production.

Your responsibility:

- Protect from competitors proprietary information about the company's prices, suppliers, customers, products, territories, markets, production levels, and terms and conditions of sales:
- *Do not* discuss such information with representatives of other companies. Report to your supervisor or ethics officer if someone attempts to access confidential business information.
- *Do not* attend meetings with competitors at which such topics are likely to be discussed.
- Avoid contacts with competitors, even at social events, if it might create the appearance of an antitrust law violation.

International Business Practices

International Business Activities

Social customs and laws vary widely between countries. Occasionally, foreign customs and laws may conflict with those of the United States. We follow all laws of the countries in which we do business, to the maximum extent permitted by United States law. If another country's

practice is to accept a standard of conduct lower than U.S. practices, we adhere to U.S. practices, as well as to this Code and other company policies.

U.S. Foreign Corrupt Practices Act

Our companies must comply with the U.S. Foreign Corrupt Practices Act (FCPA). This act mainly prohibits entertainment, gifts, or payments to foreign government officials to influence them in our favor.

Your responsibility:

Do not offer, pay, promise, give, or authorize anything of value, either directly or indirectly:

- To a government official or candidate for office of a foreign country, public international organization, or foreign political party;
- For the purpose of influencing official acts or decisions and to assist our company in getting or keeping business.

Courtesies in International Business

In certain situations, reasonable business entertainment expenditures or gifts are permitted in connection with international business activities. These are often called "goodwill expenditures."

Your responsibility:

Be sure that any goodwill expenditures:

- Are for a legitimate business purpose;
- Are reasonable given the situation;
- Conform to local custom and law;
- Are accurately recorded on company books and records; and
- Are approved in writing in advance as required by your company policy.

Export Control Laws

The export of products and technology may be subject to various U.S. government restrictions. This is likely for defense technology, although export regulations also cover certain commercial technology. Export laws might require your company to obtain a license or written approval from the U.S. government before exporting certain products or technology. In other cases, U.S. restrictions may prohibit the sale altogether.

U.S. export restrictions apply not only to physical shipments but also to release of technical information to foreign nationals in the U.S. and abroad. Export restrictions apply to hardware,

software, support equipment, samples, demonstration units, and technical data, whether contained in writing, electronic transmissions, conversations, drawings or photographs.

A technology export occurs whenever technical information is transmitted in any way from a U.S. employee to a foreign person or entity, except for foreign individuals who have U.S. residence status. This is true whether the technical information is transmitted in person or by telephone, fax, email, regular mail, or another method.

We know that compliance with export controls can be difficult and that we sometimes might lose potential sales. Nevertheless, all employees who deal with international customers, suppliers, or visitors must learn the rules in this area and comply with them.

Your responsibility:

- As a rule of thumb, assume that any technology you would not want a competitor to know is subject to export restrictions.
- Don't send email with any technical content across national boundaries without first checking with your supervisor to see if it could be covered by export laws.
- Ensure your activities are conducted in full compliance with U.S. export requirements.
- Get help if you are not completely familiar with how to comply. These export laws are complex and expert advice may be needed. Talk to your supervisor or your ethics officer.

Ethics in Action

Question: A Canadian engineer who works for one of our suppliers is scheduled to visit our facility to review a new manufacturing process. Does this visit raise any export concerns?

Answer: Yes. A disclosure of technical data to this foreign person, even if unclassified, is an "export" under U.S. export laws. Depending upon the technology, the company might need to apply for an export license before the engineer can view the new process.

Government Contracting

Bidding and Performance of Government Contracts

Several Esterline subsidiaries sell products to the U.S. government. As government contractors, we must abide by federal procurement laws.

Your responsibility:

If you are an employee who works on any government contracts or subcontracts, or who has any dealings with the government, you must:

- As in all business matters, ensure that you and any employees you supervise accurately record all work time. See Accurate Communications and Records section above.
- Be honest and accurate in all communications to the government, including all proposals, estimates, claims, and test results.
- Report to your supervisor, ethics officer, or the Ethics Hotline at 1-800-448-0158, any errors or other possible problems with any government contract, such as bids, proposals, billing, or product quality.
- Avoid any activities that may result in improperly obtaining competitive bid information about government procurement.

Ethics in Action

Question: During my work on a U.S. military contract, I've become concerned that certain test results might be inaccurate. What should I do?

Answer: You should raise this issue with your supervisor, or ethics officer, or the Ethics Hotline. Depending on the circumstances, it might require disclosure to the Department of Defense.

Customer Relations with Government Employees

Many government agencies have rules that prohibit their employees from accepting entertainment, meals, and gifts from companies they regulate or with whom they do business. Employees who work on government contracts must know the rules that affect their government customers and must follow those rules.

Your responsibility:

- Do not make any gifts to a government employee or pay for their travel, food or lodging, unless you know that the agency's regulations clearly permit the gift or hospitality.
- You may entertain relatives or close personal friends who are employed by government agencies if these two conditions are met:
 - The personal relationship must not have resulted from your work at an Esterline company.
 - The entertainment must not be business-related or reimbursable.

Ethics in Action

Question: A high-level group of government officials is making a goodwill tour of the company's facilities. I wish to give them baseball caps with our logo on them. Is this against company policy?

Answer: Assuming the baseball caps have a nominal value, it is unlikely that the government agency's code of conduct prohibits the officials from accepting them. However, when you become aware of such a visit,

familiarize yourself with the particular agency's regulations to be certain that they specifically allow this type of business courtesy.



Question: When I am in Washington, D.C., a Naval officer with whom I have had business dealings over the years always buys me dinner. I reciprocate when he visits my city on business. Is this a violation?

Answer: Yes, it is a violation of the Standards of Conduct of the Department of Defense. Although it may seem impolite not to reciprocate with dinner in your city, DOD Standards won't allow it. Also, you may not pay for the expense out of your own pocket. It is the act of providing a prohibited business courtesy, not the source of funds, that creates the violation.

Employing and Recruiting Current or Former U.S. Government Personnel

Because of laws and regulations governing conflicts of interest, former federal government employees and military personnel are restricted in the duties they may perform for our company as employees or consultants. Before hiring any former government or military personnel who might be covered by laws and regulations, consult your human resources department or ethics officer.

Outside Professional Activity

Sometimes you might have opportunities to speak at a conference, publish an article, or serve on an industry committee, or board of directors. These activities could affect your work and the company.

Your responsibility:

- If you want to participate in a professional activity, notify your supervisor or ethics officer as soon as possible. Then the company can review the situation, clarify your role, and decide whether to approve your involvement. Managers might establish certain conditions to protect company interests.
- Give the company any payment or item of value you receive, if you represent the company, or if you use company time to participate.

Disclosure, Corporate Citizenship and Relations with the Community

Disclosure

The company is obligated to make filings with the Securities and Exchange Commission and other government agencies. The company will apply standards of full, fair, accurate, timely and understandable disclosure in reports and documents that are filed with or submitted to the Securities and Exchange Commission and other government agencies.

Protecting the Company's Reputation

One way we protect the company's reputation is to be sure external statements to the general public by the company also should be clear and consistent to ensure that the general public is accurately informed of the company's business and positions. Therefore, only certain employees are allowed to speak publicly for the company. Only Esterline's corporate communications office, or your company president, may issue press releases, handle questions from the media, or make any statements about pending issues of public interest. Because Esterline is a public company, no one may release financial information to the public except Esterline's corporate communications office.

Your responsibility:

- Do not make public statements on behalf of the company, unless Esterline or your president has assigned you specific responsibility for that public communication.
- Refer the matter to your supervisor if you are asked by the media or another outside source to make any statement or comment for the company.

Community Activities, Political Involvement, and Political Contributions

You are encouraged to become involved as a private citizen in civic affairs and political activities. However, when you become involved in such matters, you must do so strictly as a private individual, not as a representative of the company.

Your responsibility:

- Limit your involvement in political and community activities to your own personal time, unless the company specifically authorizes you to use work time.
- Do not let your political or community activities interfere with your work.
- If you speak on public issues, make it clear that your comments and statements are yours—not the company's.
- Do not use company equipment, funds or other assets to benefit any foreign political entity or any political party, campaign, or charitable cause.

- Obtain the company president's approval for any company contribution to a political campaign or cause.
- Do not use company equipment, funds, or other assets to benefit charities or nonprofit groups, unless you have company approval to do so.

Ethics in Action

Question: I am active in my local school district and volunteer my time to improve the quality of education. An important levy is on the ballot and I am actively campaigning for its passage. May I use a company copier to make leaflets for my neighbors?

Answer: Using a company copier for this purpose generally would violate company policy. However, some Esterline companies allow use of copying machines if you pay copying costs. Check your local policy.

Code of Conduct Questions, Reporting and Accountability

Questions and Reporting

Employees

Our company needs every employee's involvement to ensure we maintain high ethical standards in all of our business activities. We cannot solve ethical problems if we do not know about them. Every employee must ask questions and raise concerns when faced with an ethical issue.

Your responsibility:

- Become familiar with and comply with our Code of Business Conduct and Ethics.
- Ask questions and get answers when you are uncertain about the right thing to do.
- Alert your supervisor or your ethics officer to potential ethical problems as soon as possible.
- You may report concerns and complaints about any ethics issue on an anonymous, confidential basis by calling the Ethics Hotline. This confidential reporting option specifically includes reports about questionable accounting, internal accounting controls, or auditing matters. For further information, please see the attached "Procedures for Complaints Regarding Accounting, Internal Accounting Controls or Auditing Matters."

Where to get help:

Generally, you should ask questions and raise concerns with your supervisor or local ethics officer, and work with them to get the right answer. However, if you have a business ethics question you cannot solve locally, or you cannot comfortably discuss within your company, please contact Esterline's Ethics Hotline. You can phone, write, or make a report online. If you choose, you can make your report confidential and anonymous. Following are the contact information:

www.esterline.com

1-800-448-0158

Ethics Hotline
Esterline Technologies Corporation
500 108th Ave. NE, Suite 1500
Bellevue, WA 98004

Directors

Directors should communicate suspected violations of this Code of Business Conduct and Ethics, as well as any other improper behavior, promptly to the Board of Directors or a designated Committee of the Board, which will conduct or direct an appropriate investigation. A report of the investigation will be provided to the Board of Directors and action will be taken, as appropriate.

Treatment of Reports

All reports will be considered and appropriately investigated. No reprisals will be taken against employees who report concerns or suspected violations in good faith.

The confidentiality of those who make reports will be maintained to the extent consistent with law and the need to evaluate and investigate the report.

Accountability

It is ultimately the responsibility of the Board of Directors, both directly and indirectly, to oversee compliance with this Code of Business Conduct and Ethics. A committee consisting of the applicable company ethics officer and the Chief Financial Officer and the Vice President, Human Resources of Esterline (the "Business Ethics Committee") is responsible for interpreting and enforcing this Code with regard to our non-executive employees. With regard to executives and members of our Board of Directors, the Board of Directors or a designated Committee of the Board of Directors will be responsible for interpreting and enforcing this Code.

People who supervise others have a special responsibility to show, through words and actions, personal commitment to the highest standards of integrity. In particular, supervisors and managers must:

- Maintain an environment of open communication in which provisions of this Code and related policies and instructions are shared and discussed.
- Ensure their people understand the provisions of this Code, and give them additional information and training, when appropriate.
- Take reasonable steps to ensure that unethical or improper conduct within their areas of responsibility is detected and addressed.
- Ensure that all information necessary to meet disclosure and reporting obligations of the company is accurately and completely compiled and communicated.

For non-executive employees, only the Business Ethics Committee may grant waivers of this Code, exempting employees from compliance with a specific provision of the Code in a specific situation.

Any waiver of this Code for a Company executive or member of the Board of Directors must be granted by the Board of Directors or a designated Committee of the Board and must be reported in accordance with applicable laws, rules and regulations.

The Board of Directors or a designated Committee of the Board shall review or (cause to be reviewed) at reasonable intervals the various compliance plans and policies of the company,

and will annually review this Code. Only the Board of Directors may substantively amend this Code. Additionally, the Board's performance reviews of senior management will appropriately consider compliance activities and will promote and support, with senior leadership, compliance plans, policies and this Code.

Violations and Consequences

The laws and policies summarized here are complex. Also it can be difficult to recognize ethical issues in some situations. We understand people will make unintentional mistakes. When that happens, the most important thing is to report the problem immediately and cooperate in fixing it. We will not penalize employees who make honest mistakes, as long as they act in good faith and try to comply with this Code.

Nevertheless, the laws outlined here can impose severe consequences on your company, Esterline, and you individually. Loss of contracting privileges, heavy fines, criminal prosecution, and imprisonment can ruin our businesses and your life. And irrespective of particular legal penalties, we want to do the right thing because it is the right thing. Therefore, we take business ethics seriously. Any violation based on neglect or intentional disregard of the policies and principles described here will also be taken seriously.

In such cases, anyone who does not meet the ethical standards reflected in this Code will be subject to disciplinary action, including possible termination or removal. In addition, the company may refer the violation for criminal prosecution and may seek reimbursement from the employee for any losses or damages the company suffers. Company managers will evaluate each circumstance and decide what action is appropriate.

Acknowledgement

I have read the Esterline Code of Business Conduct and Ethics. I understand I am responsible for complying with it.

Name (please print)

Social Security Number

Signature

Date

Company Name

Title/Department

Return to human resources

