



**Code of Ethics
and
Compliance**

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CODE OF ETHICS AND COMPLIANCE

I. BUSINESS ETHICS

Clark-Reliance Corporation values its reputation for integrity. Employees must exercise the highest standards of personal conduct and endeavor to deal fairly with the Company, its customers, suppliers, competitors, other employees and in relationships with officials of all governments, domestic or foreign. Employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing. Employees must protect Company assets and ensure their efficient use. Employees must strive to keep in strict compliance with both the letter and spirit of the law. In some instances, laws and regulations may be subject to interpretation. Nevertheless, management has access to legal advice in every jurisdiction where the Company and its subsidiaries operate and employees should seek such advice as necessary to comply with this policy.

The following examples, while obviously not exclusive, are intended to illustrate the Company's policy on business ethics in various situations.

- A. International Transactions. The Foreign Corrupt Practices Act ("FCPA") prohibits bribes, kickbacks, gifts, cash, payments or in-kind goods or services, made to a foreign official, for the purpose of getting or keeping business. Our Company does not tolerate violations of the FCPA, and we will not do business with others who do.

Regardless of local custom or practice, no one acting on behalf of the Company or any subsidiary anywhere in the world is permitted to offer, pay, promise, give, or authorize any offer, payment, or gift of a thing of value to any foreign official, or to any agent or any intermediary of any foreign official, for the purpose of getting or keeping business.

We require compliance with the FCPA not only of ourselves, but of those with whom we do business, and anyone who represents us in foreign countries.

The FCPA carries severe criminal and civil penalties, including prison. Those penalties can apply to the Company as well as to its employees and representatives. Other countries have laws as well that govern payments or inducements to government officials.

It can be difficult to know when a foreign payment is proper and when it runs afoul of the FCPA or the laws of another country. Even seemingly routine practices, for example, to minimize a tariff, can violate the law. It can be hard to tell who is a "foreign official." Even non-managerial or non-government employees -- for example, an employee in a power plant or refinery owned in whole or in part by a foreign government, a doctor in a public hospital or a private contractor acting as an intermediary for a foreign government -- have been held by the courts to be foreign officials.

Do not assume that a practice must be fine just because "that's the way it's always been done." Questions concerning this law or about any foreign payments, inducements, customs or practices, should be directed to management so that the Company can obtain proper legal advice.

- B. Political Contributions. Political contributions or expenditures of Company assets for political purposes are illegal and are strictly forbidden.

The term “contribution or expenditure” includes any direct or indirect payment, distribution, loan, advance, deposit, gift of money or any other services or anything of value to any candidate, political party or committee, organization or any other person in connection with any election to any federal, state or local office. Accordingly, Company property shall not be given or lent to any political organization, candidate or entity. Not included within the definition of “contribution or expenditure,” and therefore permitted political activities, include the following:

1. Communications by the Company to its stockholders, executives, administrative personnel and their families on any subject.
2. Non-partisan communications, registration and get-out-the-vote campaigns.
3. The establishment, administration and solicitation of contributions to a separate segregated fund (commonly referred to as a PAC) established or approved by the Company’s Board of Directors.

Political candidates will be permitted on Company premises subject to the requirements of the Federal Election Commission Regulations and subject to prior notice to the Company’s outside legal counsel and approval of the Company’s President.

No employee of the Company may engage in political work for a political candidate or a political party on Company time, unless the employee receives advance approval from the Company’s President and makes up the time lost or takes legitimate vacation time.

- C. Charitable Contributions. Charitable contributions, with approval by the Company’s Board of Directors, within the limits of authorized expenditures, may be given to anyone to which contributions qualify as charitable contributions under the U.S. Internal Revenue Code or applicable foreign income tax laws. The income tax consequences of making charitable contributions of products or assets should be considered in each instance.
- D. Dealings with Auditors and Attorneys. Compliance with Generally Accepted Accounting Principles (“GAAP”) is expected at all times. Books of account, budget proposals, economic evaluations for projects and the like must reflect the economic realities underlying the transactions they record. All assets of the Company and its subsidiaries, particularly bank accounts, are to be recorded in the regular books of the proper entity.
 1. The Chief Financial Officer is responsible for determining that the system of internal accounting controls in effect from time to time provides reasonable assurance that:
 - a) transactions are executed in accordance with management’s general or specific authorization;
 - b) transactions are recorded as necessary (a) to permit preparation of financial statements in conformity with GAAP or any criteria applicable to such statements and (b) to maintain accountability for assets;

- c) access to assets is permitted only in accordance with management's general or specific authorization; and
 - d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.
- 2. The general manager of each subsidiary department or location is responsible for:
 - a) safeguarding the assets found at or involved in the activities of that location;
 - b) carrying out management directives and policies at or involving that location; and
 - c) ensuring that transactions are executed only in accordance with management's authorizations and in accordance with any applicable operating procedures.
- 3. The general manager of each operation, department or location and the unit controller for that location are jointly responsible for:
 - a) ensuring that the books, records and accounts for the location accurately, fairly and in reasonable detail reflect the transaction, acquisitions and dispositions of the assets of the Company with which that location is involved; and
 - b) maintaining the system of internal accounting controls for that location so that the standards referenced above are met continuously with respect to that location.
- 4. Each unit controller has a dual reporting responsibility – an operational reporting relationship to the general manager and a functional reporting relationship to the corporate controller.

II. INTEGRITY OF BOOKS AND RECORDS

The Company's business records must, by law, be accurate and reliable. All business records, including expense reports, financial statements, service records, operations and manufacturing reports, reports to auditors and reports to government agencies, must be prepared with diligence and honesty. No false or misleading entry shall be made in the records of the Company for any reason. No undisclosed or unreported fund or asset of the Company shall be established for any purpose. Compliance with GAAP and an established internal control is required at all times.

III. CONFLICT OF INTEREST

Employees must discharge their responsibilities solely on the basis of the Company's best interests, independent of personal considerations or relationships. No employee should take any personal opportunity that is discovered through the use of the Company's property, information or position or otherwise use the Company's property, information or position for personal gain. Each employee should protect the Company's assets by reporting to the employee's supervisor or to the outside legal counsel any theft, waste or use of the Company's assets for any non-legitimate purpose. No employee should compete with the Company or have a financial interest in any competitor, supplier or customer of the Company, unless (1) the interest arises solely from

investment in an insignificant portion of the securities issued by a publicly traded Company or (2) the Company's Chief Executive Officer or President approves the interest after full disclosure of all facts. No employee or member of any employee's family should make or accept any payment, loan or gift, which might influence or appear to influence the employee's judgment in performing a job duty. Any interest or circumstances that might appear to compromise an employee's duty of loyalty to the Company should be promptly disclosed to the employee's supervisor or to the Company's outside legal counsel.

The following examples, while obviously not exclusive, are intended to illustrate situations that would be considered conflicts of interest:

- A. Personal Investments. Ownership, direct or indirect (including ownership by a member of an employee's family), of a financial interest in any business that is a competitor of the Company or that does or seeks to do business with the Company.
- B. Business with Family Members. Conducting business on behalf of the Company with a member of the employee's family or a business organization with which a member of the employee's family has an association, without prior consent.
- C. Outside Employment. Employees must report any proposed outside employment to the Company. Any employee who already has outside employment should promptly report it to the Company. The potential conflicts of interest posed by outside employment will often require judgment calls, and the Company reserves the right to prohibit outside employment in situations where the Company determines that such employment could be harmful to the Company.
- D. Loans. Lending to or borrowing from any competitor or supplier of the Company or from any business organization that does or seeks to do business with the Company, except normal arms-length loan transactions with commercial banks or other institutional lenders.
- E. Property Interests. Purchasing, leasing or having an interest in land, buildings, equipment or any other real or personal property with knowledge that the Company has an active or potential interest in such property.
- F. Personal Relationships and Conduct. Every employee has the right to determine his or her own personal relationships or standards of conduct. The Company, however, reserves the right to terminate employment where it views an employee's personal relationships or conduct as having the potential to disrupt the Company in any way, damage the Company or reflect adversely on the Company.

IV. ANTITRUST COMPLIANCE

The Company has a policy of strict adherence to the antitrust laws. The antitrust laws are designed to promote competition by prohibiting all agreements or understandings that fix prices, allocate customers or have a similar anti-competitive effect. The Company and its employees are expected to comply with the rules that follow and to seek further explanation when in doubt.

- A. Discussions with Competitors. All employees are strictly prohibited from discussing or communicating with any competitor concerning the following subjects:
 - 1. Prices or Bids
 - 2. Terms of Sale (including credit terms)

3. Production Levels
4. Profit Levels
5. Any other competitive information

Employees are also prohibited from receiving such information from a competitor under any circumstances. You may obtain information about competitors, however, from their public disclosures or from other sources such as distributors, customers or the media.

- B. Agreements with Competitors. Employees must never enter into any agreement or understanding with a competitor concerning prices, bids, terms of sale or other subjects listed above. The prohibition against such agreements with competitors includes not only formal contracts, but also oral agreements, so-called “gentlemen’s agreements,” silent approvals and the like. Remember, in a competitive market, prices and terms of sale may be similar among competitors since we are generally subject to the same economic pressures. Any discussion by you with a competitor concerning these subjects could give rise to suspicion of collusion. It is therefore of the utmost importance to avoid any contacts or agreements and even conversations with competitors that might support any suspicion of collusion.
- C. Pricing Decisions. The Company’s pricing decisions must be independently made in light of relevant market conditions and competitive information obtained from non-competitive sources. Such decisions must never be based upon any communication or agreement with a competitor.

While visiting a customer, the customer hands you a quote or price list from a competitor. Generally, there is nothing wrong with obtaining information about a competitor from a third party, such as a customer. Two precautions are in order: (1) be cautious that the customer is not giving you the information at the request of a competitor with an expectation that you will do the same; (2) make a notation directly on the quote or price list showing the date when it was received, the individual from whom it was received and your initials. This will eliminate any questions in the future as to the source of the information.

- D. Trade Associations. Employees who participate in industry trade associations or attend trade shows must not engage in any discussions or activities that might suggest collusion with a competitor. Consequently, employees must immediately terminate any discussion with a competitor about prices, bids, terms of sale or the other prohibited subjects listed above. It is not acceptable simply to remain silent during such a discussion; you must affirmatively terminate the discussion and leave the room or the meeting, if necessary. Attendance at trade association meetings or shows should be approved by the subsidiary president.
- E. Refusals to Deal. The Company is free to decide with whom it will and will not do business, as long as it does so independently and without unlawful discrimination. The Company’s outside counsel should be consulted before the Company refuses to sell to any customer or prospective customer for other than valid credit reasons or market distribution strategies. The Company’s outside counsel should also be consulted before implementing any agreement with another company to do or to refrain from doing business with a third party.
- F. Price Discrimination. The Company’s products and services are to be made available to customers on a fair and equitable basis without discrimination in price,

unless a lower price is justified by a demonstrable cost savings or is necessary to meet an equally low price of a competitor. Preferential pricing based upon reciprocal favorable treatment, commissions or other payments by a customer are prohibited.

- G. Unfair Competition. Generally, marketing communications should address the merits of the Company and its products. No employee may communicate inaccurate information about a competitor or competitive products. Never make a derogatory statement about a competitor or its products unless the statement is supported by facts that you can prove.
- H. Advertising. All advertising commissioned by the Company must be carefully reviewed to assure that it is true and not misleading. Relevant facts may not be omitted if their omission makes the advertising deceptive.
- I. Penalties. The penalties for violating the antitrust laws are severe. If an employee commits an antitrust violation, the Company may be exposed to substantial criminal fines even though the employee's conduct was against the Company policy. The Company may also be subjected to triple damage civil suits by those injured. Individuals who commit an antitrust violation may be convicted of a felony and sentenced to a term of imprisonment and may also be required to pay substantial fines. These penalties apply even though the individual did not personally benefit from the conduct. In addition, employees found to have engaged in antitrust violations will be disciplined by the Company, which may include termination from employment and loss of benefits.

V. EQUAL EMPLOYMENT OPPORTUNITY

The Company maintains a strong policy of equal employment opportunity for all employees and applicants for employment. We hire, train, promote and compensate employees on the basis of personal competence and potential for advancement without discrimination on the basis of race, color, religion, gender, sexual orientation, age, pregnancy, marital status, national origin, citizenship status, disability or veteran's status, as well as other classifications protected by applicable state or federal regulations.

Our equal employment opportunity philosophy applies to all aspects of employment with the Company including recruiting, hiring, training, transfer, promotion, termination, working conditions, job benefits, compensation, dismissal, educational assistance, social and recreational activities and other terms and conditions of employment.

The Company expressly prohibits any form of unlawful employee harassment based on race, color, religion, gender, sexual orientation, age, pregnancy, marital status, national origin, citizenship status, disability or veteran's status, as well as other classifications protected by applicable state or federal regulations. Improper interference with the ability of the Company's employees to perform their expected job duties is absolutely not tolerated.

Employees who have been subjected to prohibited discrimination or harassment should immediately report the incident to their supervisor or the HR Manager. Complaints are promptly investigated and handled as confidentially as possible. The Company ensures that employees following this complaint procedure are protected against illegal retaliation.

VI. NON-DISCRIMINATION AND ANTI-HARASSMENT POLICY

The Company strives to create and maintain a work environment in which people are treated with dignity, decency and respect. The work environment should be characterized by mutual trust and

the absence of intimidation, harassment, oppression and exploitation. The Company will not tolerate unlawful discrimination or harassment of any kind.

All employees, regardless of their position, are covered by and are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur. Violations include conduct that is sufficiently pervasive or severe to interfere unreasonably with an employee's job performance or create an intimidating, hostile or offensive work environment. Appropriate disciplinary action will be taken against any employee who violates this policy. Based upon the seriousness of the offense, such disciplinary action may include termination.

A. Prohibited Conduct

1. Discrimination. It is a violation to discriminate in the provision of employment opportunities, benefits or privileges, to create discriminatory work conditions, or to use discriminatory evaluative standards in employment if the basis of that discriminatory treatment is, in whole or in part, the person's race, color, religion, gender, sexual orientation, age, pregnancy, marital status, national origin, citizenship status, disability or veteran's status, as well as other classifications protected by applicable state or federal regulations.
2. Harassment. This policy prohibits discriminatory harassment of any kind, and the Company will take appropriate action swiftly to address any violations of this policy. The definition of harassment is: verbal or physical conduct designed to threaten, intimidate or coerce. Also, verbal taunting (including racial and ethnic slurs) which impairs an employee's ability to perform his/her job.

Examples of harassment are:

- (a) Verbal. Comments that are disparaging or demeaning to a person's nationality, origin, race, color, religion, gender, sexual orientation, age, or disability (epithets, slurs, negative stereotyping).
 - (b) Non-verbal. Distribution, display or discussion of any written or graphic material that ridicules, denigrates, insults, belittles, shows hostility or aversion toward an individual or group because of race, color, religion, gender, sexual orientation, age, pregnancy, marital status, national origin, citizenship status, disability or veteran's status, as well as other classifications protected by applicable state or federal regulations.
3. Sexual Harassment. Sexual harassment in any form is prohibited under this policy. Sexual harassment is defined as unwelcome sexual advances, requests for sexual favor and other verbal or physical conduct of a sexual nature when submission to or rejection of such conduct is used as the basis for employment decisions or such conduct has the purpose or effect of creating an intimidating, hostile or offensive working environment.

Sexual harassment includes unsolicited and unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature, when such conduct:

- Is made explicitly or implicitly a term or condition of employment.
- Is used as a basis for an employment decision.

- Unreasonably interferes with an employee's work performance or creates an intimidating, hostile or otherwise offensive environment.

Sexual harassment does not refer to behavior or occasional compliments of a socially acceptable nature. It refers to behavior that is unwelcome, that is personally offensive, that lowers morale and therefore interferes with work effectiveness. Sexual harassment may take different forms.

Examples of conduct that may constitute sexual harassment are:

- (a) Verbal. Sexual innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks, threats, etc. Requests for any type of sexual favor (this includes repeated, unwelcome requests for dates). Verbal abuse or "kidding" which is oriented towards a prohibitive form of harassment, including that which is sex oriented and considered unwelcome.
- (b) Non-verbal. The distribution, display or discussion of any written or graphic material, including calendars, posters and cartoons that are sexually suggestive, or that shows hostility toward an individual or group because of sex, suggestive or insulting sounds, leering, staring, whistling, obscene gestures, content in letters and notes, facsimiles, e-mail, that is sexual in nature.
- (c) Physical. Unwelcome, unwanted physical contact, including but not limited to: touching, tickling, pinching, patting, brushing up against, hugging, cornering, kissing, fondling, forced sexual intercourse or assault.

There are basically two types of sexual harassment:

- (a) "Quid pro quo" harassment where submission to harassment is used as the basis for employment decisions.
- (b) Employee benefits such as raises, promotions, better working hours, etc., are directly linked to compliance with sexual advances. Therefore, only someone in a supervisory capacity (with the authority to grant such benefits) can engage in quid pro quo harassment. Example: A supervisor promising an employee a raise if she goes on a date with him; a manager telling an employee he will fire her if she does not have sex with him.
- (c) "Hostile work environment" where the harassment creates an offensive and unpleasant working environment.
- (d) Hostile work environment can be created by anyone in the work environment, whether it be supervisors, other employees or customers. Hostile environment harassment consists of verbiage of a sexual nature, unwelcome sexual materials, or even unwelcome physical contact as a regular part of the work environment. Cartoons or posters of a sexual nature, vulgar or lewd comments or jokes, or unwanted touching or fondling all fall into this category.

What you should do if you are a victim of sexual harassment:

- (a) If you are the recipient of any unwelcome gesture or remark of a sexual nature, do not remain silent.
 - (b) Make it clear to the harasser that you find such conduct offensive and unwelcome.
 - (c) State clearly that you want the offensive conduct to stop at once.
 - (d) If the conduct does not stop after you speak with the harasser, speak to your supervisor, HR Manager or any other member of management. You should bypass your supervisor if he/she is the source of the alleged harassment.
 - (e) Review the complaint procedure set forth in this document.
- B. Retaliation is Prohibited. No hardship, no loss of benefit and no penalty may be imposed on an employee as punishment for:
- Filing or responding to a bona fide complaint of discrimination or harassment.
 - Appearing as a witness in the investigation of a complaint.
 - Retaliation or attempted retaliation is a violation of this policy and will be subject to discipline up to and including termination.
- C. The Complaint Process. Any employee electing to utilize this complaint resolution procedure will be treated courteously. The Company shall address any complaint swiftly and as confidentially as feasible in light of the need of possible corrective action. Registering a complaint will in no way be used against an employee, nor will it have an adverse impact on the individual's employment status. However those knowingly making unfounded allegations will be subject to disciplinary action. While reporting incidents may be a difficult personal experience, recognize that the Company is dedicated to maintaining a workplace free of discriminating harassment. For that reason, employees are strongly urged to utilize this procedure.
1. Responsibilities:
 - (a) All employees must share the responsibility of understanding and preventing discrimination and harassment. Individuals who believe they have been discriminated against or harassed or have witnessed discrimination or harassment have the primary obligation of informing their supervisor, HR Manager or any other member of management of the act(s) of discrimination, harassment or retaliation, recounting specific actions or occurrences whenever possible.
 - (b) Officers, managers and supervisors have the special responsibility to act promptly to eliminate any discrimination, harassment or retaliation that exists in their areas of responsibilities. If an officer, manager or supervisor knows that discrimination, harassment or retaliation is occurring, or receives information that discrimination, harassment or retaliation might be occurring, he/she must take immediate action to address the problem. Failure to do so may subject the officer, supervisor or manager to disciplinary action, up to and including termination.

- (c) If the alleged discrimination, harassment or retaliation is not within their area of responsibility or oversight, officers, managers and supervisors must nonetheless notify the HR Manager or other appropriate management employee(s), who must then take prompt steps to address the allegation.
- (d) Any employee with supervisory or hiring responsibilities who is found to have engaged in conduct prohibited under this policy is subject to disciplinary action, up to and including termination.

VII. SAFETY POLICY

The safety and health of each employee is a primary concern of the Company. Every attempt is made to provide a safe work place free from recognized hazardous conditions, materials or equipment.

Your cooperation and diligence in safety matters is necessary to prevent accidents from occurring. All employees have a responsibility to follow safe work practices and to notify their supervisors of unsafe conditions or acts which they have observed. Safe practices include, but are not limited to:

- Use common sense in performing duties.
- During the operation of any machine or power equipment, obey all equipment guards and do not circumvent their protective purpose.
- Be aware when operating any equipment to take necessary precautions and ask for help when it appears that you are not able to handle the operation that you are performing by yourself.
- Give care and attention to any function that involves lifting, carrying, climbing and walking past power equipment, so as to avoid accidents. Use mechanical devices or request assistance in lifting heavy loads.
- Do not use any equipment, vehicles or materials when overly tired, nauseated, feverish or under the
- influence of any substance that may affect judgment.
- Report and clean up all spills immediately.

During your employment, it may be necessary for you to participate in certain training and programs to meet the safety requirements of your particular job. In addition, voluntary training programs may be offered periodically in such areas as first aid or cardiopulmonary resuscitation (CPR).

A. Safety Glasses

1. ANSI approved safety glasses are required at all times in all areas of the facility except the offices and lunchrooms.
2. Also see Safety Glasses Reimbursement Program.

B. Safety Shoes

1. ANSI approved safety-style shoes are required in all manufacturing areas.
2. Athletic type footwear which is not ANSI approved is not permitted anywhere within the manufacturing areas.
3. Open-weave or open-toe footwear is not permitted in the manufacturing areas.
4. Also see Safety Shoe Reimbursement Program.

C. Safety Equipment

Certain work areas have additional specific requirements for safety equipment which the Company will provide. Check with your supervisor in order to obtain these items.

D. Accidents

Should an injury or accident (or near accident) occur while you are working, your supervisor must be notified immediately (regardless of the severity). The services of area physicians are available to employees involved in work-related injuries and, if necessary, transportation will be provided. These physicians are aware of the Company's procedures, as well as the nature of our operations, and are best equipped to meet your needs in the event of an accident which requires medical care. The Company's authorization is necessary for payment of any medical treatment due to a work-related injury.

E. Fires and Other Emergencies

Fire Extinguishers and first aid kits are available through the facility. All employees are expected to familiarize themselves with the location of such equipment.

VIII. ELECTRONIC COMMUNICATIONS USAGE POLICY (INCLUDING VOICEMAIL, E-MAIL AND INTERNET ACCESS)

In order to enable employees of the Company to communicate and gather information efficiently for business purposes, the Company owns, maintains and makes available to its employees and certain authorized individuals (collectively, "employees" or "you") network facilities for electronic communications, including voicemail, e-mail and Internet access and associated computing, storage and networking technology ("Network Facilities"). The Network Facilities are powerful tools requiring careful use, and they are made available to employees at considerable expense to the Company. You are therefore required to know and follow these policies governing their use, including changes to these policies that the Company may make from time to time. Any violation of these policies may be grounds for disciplinary action, up to and including immediate termination. Lists of specific policies or examples appearing below are not intended to be exclusive or to limit the scope of related general policies.

A. The Network Facilities are to be used for business purposes.

1. You are expected to demonstrate professional judgment at all times, using the Network Facilities and your time spent gathering and communicating information productively. For instance, you may use the Network Facilities to perform tasks like gathering news for business purposes from news briefing services, participation in forums such as newsgroups or chats when the subject matter is relevant to your duties, or downloading approved software (see section 2.D. below) or other files that have direct business use. You should take reasonable steps to assure yourself that information obtained from the Internet or via e-mail is from a reliable source before relying on or forwarding such information. Employees may not use the Network Facilities to download entertainment software, games or to play games against opponents. Employees may not use the Network Facilities in connection with any outside business ventures or any personal, political or religious causes, or to search for or negotiate employment outside the Company. You may use the Network Facilities for self-directed research or browsing during mealtime or other breaks, or outside of work hours, provided you adhere to all other usage policies when doing so.

2. Because the Network Facilities are to be used for business purposes, the Company owns the copyright in any original expression or material posted to any forum, newsgroup, chat group or World Wide Web page by any employee using the Network Facilities, and owns any proprietary right conferred upon a licensee or other user of any software or other material downloaded using the Network Facilities.
 3. The Company has an interest in ensuring that its employees use their time and the resources of the Company productively. You should understand that the Company can monitor your use of the Network Facilities (including voicemail messages, e-mail messages, World Wide Web site visits, chat sessions and file transfers into and out of its internal networks), and the Company reserves the right to monitor, review or analyze such use at any time, without any additional notice, and to disclose data on such use, or limit or revoke the access of any employee to any or all of the Network Facilities. The Company reserves the right to inspect files contained on its network, including in areas designated "private." User IDs and passwords used to limit access to certain of the Network Facilities are intended to maintain individual accountability for use of the Network Facilities and protect the Company's confidential information; they are not a device to prevent the Company from having access to that information. Employees should have no expectation of privacy with respect to their usage of the Network Facilities. The Company reserves the right to use filtering software to limit access to the Internet or use of e-mail. The fact that any such filtering software permits access to a site does not imply that the site is acceptable under these policies or that employees have permission to access it. Employees should disconnect immediately in the event they access a site the use of which would violate these policies.
- B. All Employees must follow rules and procedures established by the Company to protect the security of the Network Facilities and the data they contain.
1. Employees may not attempt by any means to disable, defeat, or circumvent the security measures of, damage, tamper with, overload, "hack," "crack," "mail bomb," or introduce a virus or other disabling code into, the Network Facilities or any the Company computer system. Employees may not intentionally circumvent filtering, proxy, Internet address management or any other network management system. Any employee who maliciously damages, deletes or conceals data will be held responsible.
 2. Employees may not disclose to any unauthorized party the confidential information of the Company, its customers, affiliates, branches or subsidiaries. You should exercise reasonable care in using Network Facilities to avoid inadvertent disclosure of such confidential information, particularly when transferring data, and should take into account the sensitivity of the information. All Company policies and procedures regarding data security apply to the use of the Network Facilities. In particular, employees may not, without prior authorization, place the confidential information of the Company, its customers, affiliates, branches or subsidiaries (including data, copyrighted software and internal correspondence) on any publicly accessible Internet computer, or make any such information available via local software (such as local FTP or Web publishing services). Unauthorized placement or dissemination of Company material or information will be subject to all penalties under existing Company policies.

3. Employees shall maintain the confidentiality of all the Company user IDs and passwords. No employee may use the user ID or password of another to access the Network Facilities. Employees with network access are required to use a screensaver with a password. Employees may not use passwords in such a way as to prevent the Company from accessing their accounts or personal computers.
 4. Files downloaded from the Internet or e-mailed to employees must be scanned with virus detection software before installation or execution. All appropriate precautions should be taken to detect viruses and to prevent their spread. Employees may not download programs or other executable files (including "plug-ins") without prior approval of the MIS Department.
- C. The Network Facilities may not be used in any manner that violates any applicable law or any Company policy.
1. Employees are hereby advised that the Company will cooperate with legal process and with the requests of authorities for information regarding violation of any applicable law by the Company Employees. "Applicable law" means federal, state, local law, regulation or ordinance, as well as the law of any other nation or governmental unit that may apply to the activities of an employee. Employees may be held responsible, financially or otherwise, for any activity that results in legal liability for the Company. Employees who commit crimes against the Company or others may also be subject to prosecution. "Any Company policy" means any policy established by the Company, whether or not it is found or referenced in this Electronic Communications Usage Policy.
 2. The Network Facilities may not be used in any attempt to disable, defeat, or circumvent the privacy or security measures of, disable, damage, tamper with, overload, "hack," "crack," "mail bomb," or introduce a virus or other disabling code into any computer system.
 3. The Network Facilities may not be used in a manner that infringes upon the intellectual property or other proprietary rights of any other party, or violates the terms of any license, including by unauthorized copying, downloading, uploading, posting, distributing, or e-mailing of copyrighted material; by unauthorized uploading of Company-owned software; by unauthorized modification of downloaded software; or by posting or distributing audio, video or graphic files scanned or otherwise created without permission. You should assume that all software and other content on the Internet is protected by copyright unless the owner gives express notice to the contrary. You are responsible for registering and licensing any approved software that you download (see Section 2.d. above).
 4. The Network Facilities may not be used in a manner that violates the Company's discriminatory harassment policy, including but not limited to sexual harassment. Nor may the Network Facilities be used in a manner that violates any law regulating obscenity, material harmful to minors or child pornography. The Network Facilities may not be used to record, edit, store, display, publish, distribute, access or download sexually explicit material or any material that could contribute to the creation of a hostile work environment.

5. The Network Facilities may not be used to make threatening or harassing communications; to libel or slander any other party; to violate the privacy or publicity rights of any other party; or to malign any individual or group on the basis of race, color, religion, gender, sexual orientation, age, pregnancy, marital status, national origin, citizenship status, disability or veteran's status, as well as other classifications protected by applicable state or federal regulations.
- D. The Network Facilities may not be used in any manner that might damage the interests of the Company.
1. Employees may not use Network Facilities to make unauthorized statements on behalf of the Company. Only employees who are duly authorized to speak to the media, to analysts or in public gatherings (including online chat groups, newsgroups, bulletin boards or mailing lists) on behalf of the Company may speak or write in the name of the Company, or in any way that implies a Company statement or endorsement. Whenever they communicate with parties outside the Company (including through online chat groups, newsgroups, bulletin boards or mailing lists), employees who are not so authorized should make clear that they do not speak for the Company.
 2. You should identify yourself honestly, accurately and completely (including your Company affiliation and function where requested) in your communications using Network Facilities, including when participating in chat groups, newsgroups, bulletin boards or mailing lists, or when setting up accounts on outside computer systems. When using the Network Facilities and identified as an employee of the Company, employees may not engage in unauthorized political or religious advocacy. You should also refrain from making any unauthorized endorsement or appearance of endorsement of any commercial product or service not sold or serviced by this Company, its subsidiaries or its affiliates.
 3. Employees may not use Network Facilities to make statements or act in any way that could damage the reputation or goodwill of the Company. You should assume that any communication made using the Network Facilities (including the transmission of a website address so that the site may be viewed) contains information that identifies the Company as its source, and that such information might be recorded, stored or published by other parties. You should also assume that any communication made to any party outside the Company by e-mail or otherwise (including chat groups, newsgroups, bulletin boards, mailing lists or individuals) might be reproduced, saved, forwarded or republished to the general public, even if you expressly withhold permission to do so. Your statements and actions reflect upon the Company, even when you make clear that you do not speak for the Company. Accordingly, employees should at all times avoid conduct that might be viewed as unprofessional, including using profane, indecent, scandalous, abusive or rude language in communications; making misleading, deceptive or fraudulent statements; or making any statement that maligns any individual or group on the basis of race, color, religion, gender, sexual orientation, age, pregnancy, marital status, national origin, citizenship status, disability or veteran's status, as well as other classifications protected by applicable state or federal regulations. Employees should not purposely access any website with which the

Company would wish not to be associated and should disconnect immediately in the event they access such a site inadvertently.

IX. INVENTIONS OWNED BY THE COMPANY

All inventions (defined below) that arise during the term of employment that pertain to any present or prospective activities of the Company or are suggested by or otherwise arise out of an employee's work are owned solely by the Company. Employees are required to assign to the Company all inventions without royalty or other consideration, whether or not the invention arose during normal business hours of employment or with the use of Company facilities, materials or personnel. All copyright subject matter created by an employee within the scope of the employee's services to the Company constitutes "works-made-for-hire" as set forth in 17 U.S.C. Section 101 and are the property of the Company. Each employee is obligated to promptly notify the Company of all inventions created, conceived or developed during the term of employment and to assist the Company in acquiring, maintaining, defending and enforcing intellectual property rights in all inventions. "Inventions" is defined by all intellectual property and includes, but is not limited to, ideas, inventions, developments, discoveries, concepts, processes, techniques, formulas, products, materials, works of authorship, software and the like, as well as any related improvements or know-how (whether patentable or not). Any exceptions to this policy may be approved only in writing by the Company's President.

X. IDEA SUBMISSIONS BY THIRD PARTIES

The Company's policy is not to accept any idea submissions from any outside person unless that person has signed a confidential waiver form. An employee is not permitted to review, consider or even accept an idea submission from an individual that is not directly employed by the Company, unless the Company's standard confidential waiver form has been executed in advance by that individual. Confidential waiver forms can be obtained from the Company. If an employee receives an unsolicited idea submission by mail, facsimile, email or otherwise, the employee is required to forward the submission to the finance department without any review of the submitted area.

XI. PRODUCT SAFETY

The Company has an obligation and is committed to ensure that there is no unreasonable risk of harm to any person using our products. Employees must exercise care in formulating, producing, storing and transporting Company products to assure that quality standards are met. Testing and inspections must conform to policy and be properly documented. Product advertising, packaging and labeling must be informative, accurate and in conformity with regulations. Employees must promptly report any defect, danger or misrepresentation associated with a Company product to their supervisor, manufacturing or the quality manager.

XII. ENVIRONMENTAL RESPONSIBILITY

The Company's goal is to achieve and maintain compliance with environmental laws and regulations. All employees should strive to meet this goal in the performance of their duties. Employees who observe or are aware of environmental problems or violations involving the Company are expected to report this information to the person at the plant responsible for environmental compliance.

XIII. PURCHASING POLICY

Generally, all purchases or commitments for the purchase of goods, supplies, equipment and services for the Company must be made by the Company's purchasing department, approved by an appropriate officer. Except as specifically authorized, employees are not permitted to

purchase goods or services on behalf of the Company. Employees who are contacted by persons seeking to sell goods or services to the Company should direct all sales proposals to the Purchasing Department. The Company purchases goods and services strictly in accordance with the Company's best economic interests. In no event are employees permitted to accept any personal benefit in connection with the purchase of goods or services by the Company.

XIV. PAYMENTS AND GIFTS

The Company's policy is to deal with customers, suppliers and government agencies in a straightforward and aboveboard manner. All employees are prohibited from making or accepting unlawful payments in connection with the Company's business. Furthermore, no employee may accept gifts or favors of value in connection with the conduct of the Company's business unless recognized as proper, such as receiving lunch or dinner in connection with a business meeting. In general, making or accepting any gift or favor with a value of over \$100 should be cleared with your supervisor.

XV. PROPRIETARY INFORMATION/CONFIDENTIALITY

During the course of your employment with the Company, you may have access to information which is the proprietary and confidential property of the Company. Such information includes, but is not limited to, technical information, blueprints, drawings, schematics, customer information, sales information, cost information, price lists, marketing information, vendor information, payroll information, etc. You are expected to maintain the confidentiality of all this information both during and after your employment with the Company. Upon leaving your employment with the Company for any reason, you must return all property of the Company, including, but not limited to, all proprietary and confidential information.

The unlawful transfer (or attempted transfer) of Company trade secrets can result in criminal prosecution as well as civil liability. If the Company has any reason to believe that a current or former employee has divulged any confidential information or has taken any action which may be detrimental to the Company's interest because of the potential for divulging confidential information, the Company will take appropriate legal action.

XVI. ENGAGEMENT CRITERIA

These Engagement Criteria define the guiding principles we value when forming relationships with our partners, sources and vendors (our "Partners").

The Company is committed to ensuring that these guidelines are followed by its Partners, in all locations where its portfolio of brands is produced or sold. We expect our Partners to comply with these standards while enforcing these same standards throughout their chosen supply chains. We will monitor activities through on-site inspections, signed manufacturing agreements and third party assessments. We favor Partners who contribute to the betterment of the communities in which they operate.

- A. Ethical Standards – We will conduct business only with Partners who display sound and legal practices by conforming to all applicable local and national laws, rules and regulations and applicable treaties. We require that our Partners minimize the potential for conflicts of interest, prohibit the giving or receiving of gifts or gratuities, conduct their business with us in a truthful and open manner and comply with all specifications, quality criteria and product requirements.
- B. Health and Safety – Our Partners must be committed to providing a safe and healthy working and living environment that complies with all local laws and regulations, including: adequate medical facilities, fire exits, safety equipment, well lighted and

comfortable workstations, clean restrooms, personal protective equipment, safe storing of chemicals and a well-known emergency evacuation plan with clear and accessible aisles and exits.

- C. Environmental – Our Partners must be committed to environmentally safe practices and must be in compliance with all applicable laws and environmental regulations. All waste materials and manufacturing by-products must be disposed of properly in an environmentally responsible manner according to local laws and regulations.
- D. Freedom of Association – Partners must recognize and respect the legal right of employees to freely associate and join organizations.
- E. Foreign Corrupt Practices Act Compliance – Partners must agree to comply with the Foreign Corrupt Practices Act (FCPA).
- F. Equal Employment Opportunity – Partners must comply with all laws prohibiting discrimination and promote equal employment opportunity in their workplace practices.
- G. General – We require Partners to maintain records and to permit the Company or its designees to audit such compliance. We will favor Partners who demonstrate a willingness and ability to meet these Engagement Criteria.

XVII. REQUESTS FOR INFORMATION

- A. Public Inquiries – Should any media representative, governmental agency or other third party contact you requesting an interview or seeking information concerning the Company or its products, instruct the person to contact Rick Solon, President and CEO, at (440) 572-1500. This will assure that authorized personnel, who have unrestricted access to all of the Company’s pertinent information, answer questions. This will also assure that no illegal selective disclosures will occur with respect to any material nonpublic information. Routine inquiries and questions regarding local operations or events may be referred to Rick Solon, President and CEO, at (440) 572-1500.
- B. Cooperation with Internal Investigations – You should cooperate fully and completely if you are questioned in an internal investigation with respect to Company business. Prior to responding to an inquiry, you should do two things: (1) ensure that the investigator is bona fide, i.e., has proper authority to conduct the investigation, and (2) contact the manufacturing manager or your supervisor.
- C. Cooperation with External Investigations. If you receive a request for information about the Company from a government representative, whether at work or at home, contact Rick Solon, President and CEO, at (440) 572-1500. Be polite with the representative, but do not discuss Company matters until the Company has had an opportunity to seek legal advice. This policy applies in any situation, outside the normal course of business, in which a person outside the Company asks you to answer questions or otherwise provide Company information.

XVIII. BUSINESS ENTERTAINMENT

Business entertainment must be directly related to, or associated with, the active conduct of the business of the Company. The purpose of all business entertainment expenses is to enhance or further the business of the Company. Expense reports must be completed with diligence and honesty. Failure to report business expenses accurately will lead to appropriate discipline up to and including possible discharge.

Within the above definition, business entertainment expenses will be allowed and reimbursed, if the following information is provided on an expense report: (1) date, (2) name(s) of person entertained, (3) time and place, (4) business purpose, (5) amount – if applicable, include the percentage allocated to business and (6) a receipt for all expenses exceeding \$35.

XIX. BOARD OF DIRECTORS

This Code of Ethics generally applies to Directors of the Company, except for specific provisions dealing with issues that only affect employees of the Company or that, based on their context, would be applicable to the relationship between the Company and its Directors.

XX. ADMINISTRATION AND ENFORCEMENT

All Company employees are required to follow the provisions of this code in performing any employment-related duties or when otherwise acting on behalf of the Company. Failure to comply with any provision of this code may result in disciplinary action, including termination of employment.

All supervisory and management personnel are expected to exercise best efforts to ensure that the code is adhered to by all employees under their supervision to educate employees on the contents and application of the code, and to remind the employee that compliance with the code is a condition of employment, violation of which may result in disciplinary action – including termination of employment. Regular personnel evaluations of supervisory and management personnel may expressly consider efforts made and results achieved in this area. This code does not constitute a contract of employment.

XXI. REPORTS OF VIOLATIONS

Employees should promptly report suspected violations of laws, rules, regulations of this code to their immediate supervisor, manufacturing manager, HR representative, outside legal counsel or, as appropriate, the Board of Directors. Any reports will be received with the understanding that no disciplinary or other retaliatory action will be taken against an employee for informing the Company, in good faith, of any suspected violation. The Company's outside legal counsel is: Calfee, Halter & Griswold LLP, 800 Superior Avenue, Suite 1400, Cleveland, Ohio 44114; phone: (216) 622-8200; fax: (216) 241-0816 (Attention: Brent D. Ballard, Esq.).

XXII. DISTRIBUTION AND ACKNOWLEDGEMENT OF THE CODE

Each employee will be given a copy of the code at the start of employment or at its initial distribution. Each employee must review the code and should raise and resolve any questions about the code with the employee's supervisor or the appropriate manager.