

INTRODUCTION

Ampacet's reputation for integrity and high standards of business ethics has been built on the actions of Ampacet employees over many years.


Integrity is the element upon which we build success and is the cornerstone to our quality products and services, our forthright relations with our customers and suppliers and the trusting relationship we have with each employee.

Without exception, each employee will make a personal commitment to follow our "Code of Business Ethics" by:

- Knowing and obeying applicable laws and regulations governing our business;
- Avoiding conflicts of interest or business relationships that may influence your ability to make the right business decision;
- Creating a safe workplace and to protect the environment.

Questions or concerns regarding "what is proper conduct" should be directed to your supervisor or in his or her absence, a member of the management committee.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert A. DeFalco".

Robert A. DeFalco
President and Chief Executive Officer

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RELATIONSHIP WITH BUSINESS ENTITIES

You are encouraged to maintain cordial business relationships. However, you should avoid an environment that influences your business judgment for personal gain or even the appearance of same.

PROPRIETARY INFORMATION

The protection of confidential business information and trade secrets are vital to the interests and the success of Ampacet. Confidential information includes, but is not limited to, the following examples:

- Customer lists
- Formulas
- Customer preferences
- Processes
- Financial information
- Methods
- Marketing strategies
- Machines and other equipment
- New materials research
- Manufacturing techniques
- Pending projects and proposals
- Proprietary production processes
- Inventions
- Research and development strategies
- Scientific data
- Sales strategies
- Company reports

Or any such data in any form that is strategic in nature.

All employees are required to sign an “*Employee Patent and Confidentiality Agreement*” as a condition of employment. Any employee who improperly uses or discloses confidential business information or trade secrets will be subject to disciplinary action, up to and including termination of employment and legal action, even if he or she does not actually benefit from the disclosed information. Employees have a continuing obligation, beyond their term of employment with Ampacet, to refrain from disclosing or inappropriately using trade secrets or confidential business information, as these terms may be defined by applicable law and to the extent permissible under applicable law.

Ampacet employees will respect the patents, trademarks, and copyrights of others. Ampacet’s global reputation for integrity has been built over our many years. This reputation coincides with each business transaction we make. Ampacet will not tolerate devious tactics that undermine the confidence that others have in us and the consideration we hold for our relationships.

You should not accept confidential information (i.e., marketing plans of a competitor) without prior written authorization from the owner.

THIRD PARTY CONFIDENTIAL TOOLS

Ampacet licenses third party confidential software and other information system tools that are the intellectual property of the author and/or supplier and are protected by law. You are responsible for ensuring that all software and information system tools you load and/or use on your workstation are licensed for your use and used in a manner consistent with the applicable license and intended use.

INSIDE INFORMATION

It is against Ampacet policy for you to profit from inside non-public information about the Company, its affiliates or any company with whom Ampacet does business. Securities laws prohibit the purchase or sale of securities based on material non-public information about a publicly traded company that is not available to the public. If you have this kind of information, you should not trade in the securities of such company nor provide the information to others for that purpose as this is illegal and a conflict of interest.

COMPENSATION

You may not accept any compensation (e.g., salaries, fees, commissions, rebates, or monetary rewards) from those doing business with Ampacet, including franchisees, suppliers, distributors, cooperatives, contractors, consultants or any third-party vendor.

COMMERCIAL TRANSACTIONS

Most commercial transactions should be reflected in complete written agreements. These include real estate transactions, franchising agreements, intellectual property transfers, supplier or distributor arrangements, joint ventures, acquisitions and divestitures. You should avoid oral contracts, handshake deals, and “gentlemen’s” agreements. You should always act within your level of authority and never make unauthorized promises, commitments, or assurances to others. When terminating Ampacet’s relationship with a supplier, distributor or franchisee, you should discuss the situation thoroughly with your supervisor before any decision is made, letters are sent or plans are communicated.

RELATIONSHIP WITH GOVERNMENT AND THE LAW

COMPLIANCE WITH LAWS AND REGULATIONS

The policy of Ampacet is to conduct its business in full compliance of all applicable federal, state and local laws and regulations. You should not take any action that you know or believe would violate any applicable law or regulations. You will not be rewarded or supported by Ampacet for circumventing any laws even if such actions result in a profit to the Company. If a local law conflicts with this Code, you must comply with the local law. If you have the slightest doubt about whether your proposed actions are lawful, you must seek guidance from your supervisor or in his or her absence, a member of the management committee.

POLITICAL AND LOBBYING ACTIVITIES

There are many complex laws that regulate or restrict political or lobbying activities of corporations. While we encourage you to become politically involved and express your views as a citizen, you must be aware of regulations applicable to Ampacet's activities and to your own activities in your status as a Company representative.

Political Activities – Federal law prohibits Company contributions to political candidates or parties. There are certain exceptions to this law that may be made only with prior authorization obtained by a member of the management committee. If you engage in personal political activity on your own time, you must take care not to imply that you are acting on the Company's behalf. Ampacet facilities, property or logo identities may not be used for personal political activity.

Political Lobby and Public Issues – Ampacet is permitted by law to undertake lobbying activities or to support or oppose public issues, but all such action must be approved by and coordinated through the management committee. Any contact with government personnel for the purpose of influencing legislation or rule making, including such activity in connection with marketing or procurement matters, is considered lobbying. Certain laws define lobbying even more broadly to include normal marketing activities. You are responsible for knowing and adhering to all the relevant lobbying laws and associated gift laws, if applicable, and for compliance with all reporting requirements. No employee shall take part in any lobbying activity on his or her own behalf while on Company time.

Occasions may arise where public officials are requested to make non-partisan visits to Ampacet locations to better understand our products, programs and our views on public policy issues. However, such visits should not be permitted within 60 days of an election in which the official is a candidate. Political campaigning is not allowed on Ampacet property. Any exceptions must be approved in writing by the management committee.

Likewise, public officials, candidates and prominent former officials may request to be invited to speak at various Ampacet events. We generally do not pay honoraria or travel expenses since in many instances such a payment would not be lawful. You must get the approval of the management committee before inviting these speakers.

GOVERNMENTAL OFFICIALS

You may not give gifts, meals, travel or anything of value to any persons employed by the United States or any state government, to any candidates for political office or to any intermediaries such as consultants or sales representatives who might transfer such gift to any such employee or candidate. Giving anything of value, regardless of amount or motive, might be viewed as impugning the integrity and reputation of Ampacet. You must be aware of, and adhere to, the relevant laws and regulations governing relations between government employees and customers and suppliers in every jurisdiction where you conduct business.

FOREIGN CORRUPT PRACTICES ACT

This U.S. law prohibits the giving or offering of money or anything of value, either directly or through a third party, to an official of a foreign government, foreign government agency or instrumentality (which may include government monopolies, corporations, etc.), or to any foreign political party, party official or candidate for certain proscribed purposes. A violation could subject Ampacet and you to civil and criminal sanctions. It is Ampacet policy that no payments or gifts, or offers to make payments or gifts, including facilitating payments permitted under the law, shall be made either directly or through third parties to officials or employees of government agencies or instrumentalities (including government monopolies or corporations), foreign political parties, party officials or candidates without a written opinion from management that the payment or gift is lawful. In countries where local customs call for giving gifts to customers or others on special occasions, you may, with prior written approval from management and Ampacet counsel, present gifts that are lawful, appropriate, and of nominal value, provided the action cannot be seen as seeking special favor.

TRADE REGULATION

Ampacet has an unwavering commitment to the principle that free and open competition is the cornerstone of any free enterprise system. Many countries have enacted trade regulations to protect their competitive system from collusion, coercion, deception or favoritism. These laws may pertain to virtually every phase of the Company's operations. They affect our relationships with suppliers, distributors, customers, competitors, cooperatives, franchisees and almost all others with whom we deal in our day-to-day business. Criminal and civil treble damage penalties can be the consequence of noncompliance.

If you have responsibilities in areas affected by trade regulation or antitrust laws, you must be sufficiently knowledgeable of applicable local and foreign laws. This will enable you to avoid potentially unlawful conduct and to identify any possible unlawful conduct of another having detrimental impact on the Company. If you have questions regarding any specific practices, contact the Senior Vice President of Finance.

U.S. Antitrust Laws – The policy of U.S. and state antitrust laws is that the economic well-being and the public good will be fostered best by a free and competitive economic system. All individuals and companies have the absolute right to compete lawfully for business to the utmost of their skills, resources, and facilities. The actions and activities of one business, however, must not unlawfully interfere with the rights of others to compete.

The U.S. antitrust laws provide that any contract, combination or conspiracy that is an unreasonable restraint of trade in interstate or foreign commerce is illegal. The laws further provide that it is a crime for any person (individual or corporation) to monopolize, attempt to monopolize, or combine or conspire with any other persons to monopolize, any part of a relevant market in interstate commerce or a relevant market which impacts the import or export trade of the United States. Under these laws, companies may not enter into agreements with other companies, including their distributors and remarketers, however informally, that unreasonably restrict the functioning of the competitive system, such as price fixing or dividing customers or territories.

The purpose of the U.S. antitrust laws, which also may be known as monopoly, fair trade or cartel laws, is to prevent interference with the functioning of a competitive market system. While

the purpose of such laws is primarily economic, their effect is often seen as going beyond consumer welfare to protecting other values of society, including individual freedoms. Companies also may violate antitrust laws without acting jointly with other companies by, for example, illegally monopolizing or attempting to monopolize an industry or unlawfully abusing a dominant position.

Ampacet's policy is to comply fully with all applicable antitrust laws.

U.S. Anti-boycott Laws – Ampacet will comply with the laws that prohibit activities associated with organized foreign economic boycotts, including refusing to do business with boycotted countries, their nationals or blacklisted companies or providing information about the Company or any person's who work for the Company.

U.S. law prohibits U.S. firms and persons (and their controlled foreign subsidiaries) from complying with foreign countries' boycotts against countries friendly to the United States, and from providing information concerning business relationships with boycotted countries. Furthermore, under U.S. anti-boycott legislation Ampacet is required to report to U.S. government officials the receipts of any requests to participate in an antitrust boycott.

Ampacet employees will not engage in any discussions with representatives of other companies, agencies, or governments regarding possible "restraint of trade" or anti-boycott activities. You must immediately report to the management committee, any such discussions initiated by any customer or potential customer. Violations of U.S. antitrust and anti-boycott laws and regulations can subject both the Company and the employee to severe criminal and civil penalties and fines.

Price Fixing – Two or more competitors may not agree to fix prices. Furthermore, there must not be any discussion with competitors with regard to prices or rates in U.S. domestic or import/export trades. Never propose or enter into any agreement with a competitor to fix price, terms and condition of sale, costs, profits or profit margins, product, production or sales volume, production capacity, market share, decisions to quote or not to quote, sales territories, distribution methods, or other aspects of the competition between Ampacet and the competition. Even where there are perfectly legitimate reasons to communicate with the competition, (for example, where customer or supplier issues arise from a genuine buyer-seller relationship, or for the exploration of a potential joint venture) take care to avoid the appearance of improper conduct and make sure there is a legitimate business reason for all such communication. Do not enter into any agreements or understandings with customers or vendors to restrict the price at which the customer or Ampacet may resell a product.

Division of Markets – Two or more competitors may not agree among themselves as to the markets or areas that each will serve. This prohibition includes agreements to restrict the amount of service each is to render in the same market.

Tying Devices – A tying device or arrangement involves an agreement under which a customer is forced by a seller to buy a product or service it might not otherwise wish to buy as a condition of buying a different product or service from the seller which the customer wants to obtain and cannot obtain elsewhere at a competitive price. With regard to joint product promotions, all such promotions must be cleared through the management committee.

RELATIONSHIPS WITH SOCIETY

MEDIA RELATIONS

Ampacet's policy is that all communications to the public, including financial information, news releases, and speeches be accurate and timely. You may be asked by an outsider for a statement concerning Ampacet's position on a public issue, certain Company activities or a legal matter. All inquiries are to be handled through the highest ranking Company official at the location. No public releases concerning Ampacet's financial information can be made except through the Senior Vice President of Finance or President.

RELATIONSHIP WITH THE ENVIRONMENT

ENVIRONMENTAL POLICY

Ampacet is committed to protecting the environment and health of our employees and any others who come into our facilities. Our commitment includes full compliance with all applicable laws and regulations and in addition, observing sound environmental management practices that will allow us to operate without damage to the environment or illness to anyone.

To further this policy, we will attempt to:

- Design, build and maintain our facilities to ensure operational safety;
- Explain our environmental policies to everyone and enforce compliance;
- Provide our employees with adequate training enabling them to perform their work with minimum risk to themselves, to the environment, or the public;
- Make environmental conservation and sound environmental practices an integral part of our business decisions; and
- Involve our employees in the overall environmental effort on an ongoing basis.

COMPLIANCE

RESPONSIBILITIES OF MANAGEMENT

Managers and Supervisors have key roles in upholding the integrity and compliance of the Code. They are expected to demonstrate a personal commitment to the Company's standards of ethics and to lead their employees accordingly.

Because a corporation acts only through its agents or employees, an employee might possibly be held personally liable under civil or criminal law for wrongful acts committed at the Company. Under some circumstances, supervisor might be found liable for certain wrongful actions of employees within his or her responsibility, even if the supervisor had no knowledge of the wrong doing.

If you are responsible for any Company activities and operations, you must be aware of the law related to your area of responsibility, of Ampacet policies and procedures relative to such activities and operations so you can ensure compliance with applicable laws and Company policies.

DUTY TO REPORT

Responsibility - It is the responsibility of all covered by the Code to report violations or suspected violations of any law or regulation applicable to Ampacet business by Ampacet Corporation or by any one covered by the Code. No one making a good faith report of a violation will be subject to reprisals for such reporting. Failure to report known violations may result in disciplinary action up to and including termination.

How To Report – Report the violation to your supervisor. When this is not appropriate you should contact the highest ranking management official at the location or any member of the management committee.

ACCOUNTING AND FINANCIAL REPORTING

All Company payments, receipts and other transactions must be accurately, completely and promptly recorded on the Company's books and records. You are expected to adhere to Ampacet's internal financial reporting and record keeping requirements that conform with generally accepted accounting principles. You may not make any false, incomplete or misleading entries, nor may you establish for any purpose a secret or unrecorded fund of Ampacet monies or other assets. Also, you may not administer an account or fund for the benefit of others that may create a conflict of interest. Any actual or perceived financial irregularities should be promptly reported to your supervisor or any other appropriate Company representative.

GOVERNMENT INVESTIGATIONS

It is Ampacet's policy to cooperate with any appropriate governmental investigation. Inquires, investigations, subpoenas, etc. must be immediately sent to the highest ranking company official at the respective location or to a member of the management committee. If you are personally approached by government investigators, explain that the Company will cooperate. Request sufficient time to consult with the above prior to responding. Always remember that there are civil and criminal penalties for you and the Company if you fail to promptly respond or furnish untrue or misleading information, destroy or alter records or do anything to obstruct a government investigation or court order.

APPLICABLE TO

The Code is applicable to all employees, officers, directors, and agents of Ampacet Corporation. This Code should be provided to persons or entities retained and authorized to act on behalf of the Company in areas to which the Code is applicable.

WHERE TO FIND THE CODE

A copy of the Code is available from Human Resources and is available for review purposes on our intranet site Rainbow.net.

NO RETALIATION

Ampacet will not tolerate any form of retaliation against anyone who brings a good faith complaint under this policy or cooperates or participates in any compliance investigation. Violating Ampacet's no retaliation provision may result in disciplinary action, up to and including termination.

PURPOSE OF THIS CODE

This Code contains a description of business activities and related ethical concerns. The contents of this Code are intended for management and employee guidance. There will be occasions in which the Company may deviate from, decline to apply or alter the provisions of this Code in its sole discretion. The provisions of this Code may be modified or eliminated at any time, with or without notice to you, in the Company's sole discretion. This Code is intended to clarify the Company's rights and expectations as an employer, but does not add to or subtract from the employer rights or in any way create any contractual employment rights for employees. Please understand that violations of the principles set forth in this Code may subject you to disciplinary action, which might include, among other things (and in no particular order), suspension, reduction in salary, demotion or dismissal, depending upon management's exercise of discretion under the circumstances.

This Code is general in nature and cannot possibly cover every type of individual situation. In difficult or questionable situations, it is your responsibility to ask for guidance.

CERTIFICATE OF COMPLIANCE

All employees are required to acknowledge that they have received a copy of the Code and agree to comply with its intent by signing a Certificate of Compliance. Depending on the level and the nature of specific position responsibilities; some employees will be required to sign the certificate on an annual basis.