

Code-of-Conduct

Overview

We all want to do what is right, for ourselves and for the PAS Company. The Code of Conduct will help guide us. The Code defines how employees should conduct themselves as representatives of the PAS Company. The Code addresses our responsibilities to the Company, to each other, and to customers, suppliers, consumers and governments. We all must follow the law, act with integrity and honesty in all matters, and be accountable for our actions.

PAS will seek compliance with this policy internally and by all subsidiary companies. Compliance is ultimately the responsibility of each party.

PAS strives to impose discipline that fits the nature and circumstances of each Code violation. Violations of a serious nature may result in suspension without pay; loss or reduction of merit increase, bonus award; or termination of employment. When an employee is found to have violated the Code, notation of the final decision, and a copy of any letter of reprimand, will be placed in the employee's personnel file as part of the employee's permanent record.

Further, failure to comply with this code-of-conduct may result in disciplinary action. Disciplinary actions against suppliers may include disqualification or termination as a supplier.

Code-of-Conduct– (applies to PAS and PAS qualified suppliers, which are referred to as "Suppliers" for purposes of the section that follows)

Gifts and Gratuities

Suppliers to PAS are not permitted to provide gifts to PAS personnel that are in violation of local law. Further, although giving gifts is acceptable in some cultures, PAS sourced suppliers are prohibited from providing PAS personnel with gifts.

Improper Payments

PAS / Suppliers are not permitted to make bribes, kickbacks and similar payments. Bribery and kickbacks are illegal and subject to criminal penalties in many countries,

including the United States. This prohibition also applies in areas where such activity may not violate local law.

Forced Labor

PAS / Suppliers shall not use forced or involuntary labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

Child Labor

PAS / Suppliers are expected to comply with applicable local child labor laws and employ only workers who meet the applicable minimum legal age requirement for their location. In China, the minimum legal age is 16. In countries where there is an absence of local law, PAS/Suppliers shall not employ children under the age of completion of compulsory schooling. In any case, PAS/Suppliers shall not employ children under the age of 16.

Harassment or Abuse

PAS / Suppliers employees shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

Nondiscrimination

PAS / Suppliers shall not subject any person to discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

Health and Safety

PAS / Suppliers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of PAS portfolio companies and/or their suppliers' facilities.

Freedom of Association and Collective Bargaining

PAS / Suppliers shall recognize and respect the right of employees to freedom of association and collective bargaining where the local law confers such rights.

Wages and Benefits

PAS / Suppliers recognize that wages are essential to meeting employees' basic needs. As such, employers shall pay employees, as a floor, at least the minimum wage required by local law and shall provide legally mandated benefits.

Hours of Work

Except in extraordinary business circumstances, employees shall (i) not be required to work more than the lesser of 60 hours per week or hours allowed by the local law and (ii) be entitled to at least one day off in every seven day period.

Overtime Compensation

In addition to their compensation for regular hours of work, PAS / Suppliers shall pay hourly employees for overtime hours at such premium rate as is legally required by local law. In those countries where such laws do not exist, PAS / Suppliers must pay overtime compensation at a rate at least equal to their regular hourly compensation rate.

Foreign Contract or Migrant Employees

If PAS / Suppliers use foreign contract or migrant workers, such workers are to be employed in full compliance with the labor and immigration laws of the host country. The contract terms under which foreign contract or migrant workers are employed are to be in writing, in the language of the workers' home country or in a language the workers understand, and accepted by the workers prior to their departure from their home countries or home provinces.

Recruitment Fees

Recruitment Fees, if any, are to be paid by PAS / Suppliers. Under no circumstances are these fees to be deducted later or withheld from the workers' wages by employer, or otherwise passed on to the workers. Passports and other forms of personal identification shall remain in such workers' personal possession at all times and are never to be withheld by PAS / Suppliers.

Environmental Standards

PAS / Suppliers must dispose of all hazardous materials and chemicals in accordance with the applicable local laws. In the event hazardous or polluting materials are discharged improperly, entities must notify the appropriate authorities and take immediate remedial actions.

In addition to the above policies, PAS is further subject to certain US Sanctions restrictions.

The Foreign Corrupt Practices Act of the US

You are expected to comply with these Acts and are prohibited from making any inappropriate payments in order to gain an improper advantage to your business. This includes a prohibition from making facilitation payments.

Prohibited Country Transactions

You are prohibited from engaging, directly or indirectly, in trade or financial transaction or in the provision of services to certain restricted jurisdictions, certain regimes and/or certain individuals. In addition, restrictions exist with respect to certain individuals or organizations associated with weapons and narcotic trafficking and / or terrorism activities. Please see here <http://www.bankersonline.com/ofac/159310> an overview of the Office of Foreign Assets Control (OFAC).

At the time of this policy revision, the specific restricted jurisdictions for the US are as follows:

Belarus, Burma (Myanmar), Cote d'Ivoire, Democratic Republic of the Congo, Iran, Iraq, Liberia (Former Regime of Charles Taylor), Persons Undermining the Sovereignty of Lebanon or Its Democratic Processes and Institutions, North Korea, Sierra Leone, Sudan, Syria, Western Balkans*, Zimbabwe

Be sure to check government sites, such as the Office of Foreign Assets Control (OFAC) Resources page, for the most up-to-date information.

[* no specific country restrictions at this time as far as we are able to discern; currently restrictions are on individuals who are on the List of Specially Designates Nationals and Blocked Persons.]

Here you can find an update of the specific restricted jurisdictions for the US.

<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/Other-OFAC-Sanctions-Lists.aspx>

PAS is expected to comply with the sanctions requirements currently in effect under the OFAC and have the responsibility of keeping current on changes to restricted jurisdictions. PAS can provide further information on the provisions of the OFAC upon request.

ACKNOWLEDGMENT OF RECEIPT AND COMPLIANCE WITH THE PAS CODE-OF-CONDUCT

The following authorized executive acknowledges that he / she has received and read the PAS Code-of-conduct. The party below, as an officer of and on behalf of the applicable party, further attests that, to their knowledge, they are in compliance with the PAS Code-of-conduct.

| | |
|------------|--|
| Company: | |
| Name: | |
| Title: | |
| Date: | |
| Signature: | |

Sanctions Confirmation (PAS Companies Only)

As an officer of a PAS company, I confirm that, to my knowledge, our Company does not directly or indirectly do business with any jurisdictions prohibited by the OFAC and FCO, with the exception of (please list and describe business transactions, including details of the size, nature and frequency of these transactions, with prohibited countries – use an attached sheet as necessary):

| | |
|------------|--|
| Company: | |
| Name: | |
| Title: | |
| Date: | |
| Signature: | |