



Point Blank Solutions, Inc. (PBSI)

Code of Business Conduct

PBSI Corporate Guidelines

Revised 11/2007

TABLE OF CONTENTS

A. INTRODUCTION

1. Purpose
2. Individual Responsibility

B. EMPLOYEES

1. Respect
2. Compliance with Policies
3. Trust

C. CUSTOMERS, BUSINESS PARTNERS AND STAKEHOLDERS

1. Sales, Marketing and Communication
2. Customer Information

D. SHAREHOLDERS

1. Protecting Company Assets
2. Proprietary Information
3. Inside Information and Securities Trading
4. Accuracy of Company Records
5. Business Communications

E. BUSINESS PARTNERS

1. Doing Business with Others
2. Spending Practices

F. GOVERNMENT

1. Compliance with the Law
2. Political Activities
3. Political Office
4. Felony Convictions

G. COMMUNITIES

1. Community Service
2. Personal Community Activities
3. Environment
4. External Communication

H. CONFLICTS OF INTEREST

1. General Guidance
2. Outside Employment
3. Board Memberships
4. Personal Relationships
5. Business Transactions
6. Investments
7. Gifts
8. Entertainment
9. Travel

I. FOLLOW-THROUGH

J. SARBANES-OXLEY COMPLIANCE

A. INTRODUCTION

1. Purpose

1.1 This Code of Business Conduct ("Code") applies to all PBSI's and its subsidiaries' (PBSI, or the Company) employees and PBSI's agents, vendors, customers, business partners, and all stakeholders.

2.1 Our Code defines us and the way that we conduct ourselves both internally and externally. We strive to earn and maintain the trust of our customers who place their lives and personal safety in our hands, suppliers, and other business partners as well as the general public and government agencies, while doing the right thing for our shareholders, our communities, and one another. Our Code is our fundamental ground rule and guideline for how we conduct our business and relationships. We will always endeavor to exceed these principles and standards.

2. Individual Responsibility

2.1 Individually and collectively, we have a moral responsibility for ethical behavior and professional conduct. Our success depends on our individual moral character, integrity, commitment to the organization, trustworthiness, and selfless service. We cannot achieve our corporate goal to become the global leader in safety apparel and protective solutions without every employee's commitment to the highest standard of professional behavior and quality product.

2.2 While we all are expected to read and understand this Code, ensuring our success requires us to commit all our actions to spirit and intent of this Code. This commitment must govern our every action and decision. We have an added responsibility to ensure that each and every member of the Company governs their personal behavior in accordance with these principles and standards.

2.3 Basic to this process is an environment that promotes open and honest two-way communications in all our actions. We must all have the confidence that reporting problems regarding our business, our corporate goals, the quality of our products, or any other difficult issues will be handled in an open and fair manner. All employees must believe that if they encounter an obstacle to elevating an issue that must be resolved, they are obligated to bypass the obstacle and bring the issue to the attention of their supervisor, defined as the next appropriate level of management.

2.4 Our leadership must create and foster this environment where problems are addressed and resolved and creative concepts and solutions are not encumbered by misguiding supervisors – no matter where the issues occur. Equally important, employees must learn to trust their leaders and understand that all issues are resolved in the best interest of our customers, the Company, our shareholders, our employees, our suppliers, our subcontractors, and our communities. When the interests of one are subjugated to the interests of all, the Company will succeed.

B. EMPLOYEES

1. Respect

1.1 Our business environment must reflect a workplace where all are respected and appreciated for their individual capabilities and talents. We will all strive to conduct business with mutual respect towards one

another. Abusive, harassing or offensive conduct - whether verbal, physical or visual - is unacceptable and will not be tolerated. Leadership must encourage all employees to speak out when a coworker's, to include supervisors, conduct makes us uncomfortable and to report harassment to supervisors or Human Resources personnel immediately after the situation occurs.

1.2 Supervisors and Human Resources personnel will report all alleged incidents to the Chief of Staff or Chief Executive Officer immediately. If an incident involves either of these executives, the General Counsel will be advised of the problem. Individuals may also use the "Ethics Line" (see Ethics Line Policy) or contact the Company's Board of Directors. Under no condition will an alleged incident go unreported. Upon report of an incident, proper investigations will take place and attempts will be made to resolve the issue in accordance with our Ethics Line Policy.

2. Compliance with Policies

2.1 We are all responsible for conducting our work activities to the best of our ability. Each of us will be familiar with (required to read and sign) Employee Handbook and other Company policies. We shall strive to comply with all guidance in both practice and spirit. If the Handbook and other Company policies are unclear in their intent, all employees must seek guidance and interpretation from Human Resources personnel as necessary. If the issue is still unresolved, the CEO will make the final decision on how best to resolve the problem.

3. Trust

3.1 We must trust one another that we are each working in the best interest of all and not to satisfy personal interests or agendas that are not in line with our corporate objectives. Employees are encouraged to trust their leadership and leadership to trust their employees in this effort.

3.2 We will all strive for honesty in every aspect of our work. This includes proper and accurate representation of one's experience and history as it relates to information on an employee's resume or job application. Likewise, employees must be honest and accurately report their prior work history, positions, and accomplishments, prior arrests and convictions, and any other information that may result in a conflict of interest or misrepresentation for the Company.

C. CUSTOMERS, BUSINESS PARTNERS AND STAKEHOLDERS

1. Sales, Marketing and Communication

1.1 We will build long-term relationships with our customers, vendors, suppliers, business partners, investors, and all stakeholders through the production of the highest quality products and services, responsive delivery, state-of-the-art research and development, a focus on customer service and satisfaction, proper business conduct, fair and honest communication, trustworthiness and integrity. If an error occurs, we will correct that error immediately and review our processes to assure that it will not occur again.

1.2 All of our marketing, advertising, and communication will accurately represent the Company and its products and services. Deliberate and unintentional misleading messages, omissions of important facts, or false claims about our products, competitors' products and corporate information (including financial

disclosures) will not be tolerated. We will fully and critically review all materials, documentation, announcements, and disclosures concerning the Company and its products to ensure the accurate portrayal of these items. Our company will take appropriate actions against any employees, consultants or business partners who willfully misrepresent our Company, its products or services.

2. Customer Information

2.1 The law and our ethics require us to protect customer information with privacy and confidentiality. Customers will receive timely access to appropriate transactional and factual documents in accordance with this policy. Errors or misunderstandings must be corrected immediately, and we will review all procedures to ensure that such deficiencies do not recur.

2.2 We must challenge ourselves to maintain the highest standards in the protection of customer information and product documentation. The Chief Technology Officer, along with every member of the Company as well as our contractors, will engage in periodic reviews of all procedures and immediately enhance any related area deemed flawed or with a potential for deficiency.

D. SHAREHOLDERS

1. Protecting Company Assets

1.1 We have a responsibility to protect the Company's assets entrusted to us from loss, damage, misuse or theft. Company assets include both tangible and intellectual property.

1.2 All property may only be used for clearly defined business purposes and in support of other related activities only when approved by Company executives. PBSI assets should never be used for illegal, illicit, immoral or inappropriate activities or in support of similar events.

1.3 Employees and contractors will be encouraged to contact PBSI's Ethics Line to report any inappropriate use of Company assets. These activities include, but are not limited to, the mishandling of cash or other Company resources, deliberate over or under charging or paying for goods and services, the diversion of Company manufacturing assets for personal gain, inappropriate use of the computers (such as pornography, contacting underage children for illegal activity, or using Company automation for abusive or illegal activities), and the use of other Company assets in a manner harmful to the Company's reputation. These reports will be sent to the Company's General Counsel or the Chairman of the Audit Committee for further investigation and action that could include termination and prosecution.

2. Proprietary Information

2.1 We will safeguard all proprietary information by marking information accordingly, keeping it secure, and limiting access to those who have a need to know in order to do their jobs. Proprietary information includes any information that is not generally known to the public and is confidential to PBSI, or would be helpful to competitors or harmful to PBSI if disclosed. It also includes information that customers and suppliers have entrusted to us. The obligation to preserve proprietary information continues even after employment ends. All employees, business partners, and anyone who is subject to the Company's proprietary information shall be required to sign a nondisclosure agreement prior to engaging in the sharing of information.

3. Inside Information and Securities Trading

3.1 We understand that inside information concerning PBSI, any of its subsidiaries, and any operations or business dealings is highly confidential and must not be disclosed to anyone outside the Company. We are prohibited from trading in PBSI stock at any time when we are aware of inside material information that could affect the value of the stock. If you have any questions regarding appropriate timeframes to trade Company stock, you should check with the Company's General Counsel in advance of contemplated trades.

3.2 We will not trade in either PBSI or other companies' securities or any other kind of property based on knowledge that comes solely from our jobs, if that information has not been reported publicly, or if we have been advised to refrain from trading. It is against the law to trade or to "tip" others who might make an investment decision based on inside information.

4. Accuracy of Company Records

4.1 We require honest and accurate reporting of information in order to make responsible business decisions. All financial books, records and accounts must accurately reflect transactions and events, and conform both to required accounting principles and to PBSI's system of internal controls. No false, misleading or incomplete entries may be made. Additionally, no false, misleading or incomplete information should be provided to those who rely on that information to record transactions in the Company's financial statements.

5. Business Communications

5.1 All business records and communications should be clear, truthful and accurate. Avoid comments containing exaggeration, colorful language, etc. in communications of all kinds, including e-mail and "informal" notes or memos. Business records and communications often become public through litigation, government investigations and the media. Records should be maintained according to PBSI's record retention practices. No prospective financial or operational information should be disclosed without prior approval of the Company's disclosure committee or its designee.

E. BUSINESS PARTNERS

1. Doing Business with Others

1.1 We will strive to ally with companies that share our commitment to ethics and values. We will not do business with others if we know that they have violated the law or if a business relationship with them may harm PBSI's reputation. We will not use other companies to perform any act prohibited by law or by this Code.

2. Spending Practices

2.1 Decisions to spend or commit Company assets must be based solely on PBSI's best interests. Suppliers, vendors and other business partners earn PBSI's business based on product or service suitability, price, delivery and quality. Purchase agreements and contracts should clearly identify the

services or products to be provided, their costs and any other relevant terms. Costs must be commensurate with the services or products provided.

F. GOVERNMENT

1. Compliance with the Law

1.1 We are required to comply with all applicable laws and regulations wherever we do business. Perceived pressures from supervisors or demands due to business conditions are not excuses for violating the law. When we have any questions or concerns about the legality of an action, we are responsible for checking with PBSI's Legal Department.

1.2 We are expected to cooperate with reasonable requests for information from government agencies and regulators, and to consult with the Legal Department before responding to any non-routine requests. All information provided must be truthful and accurate. We will not alter or destroy documents or records in response to an investigation or other lawful request.

2. Political Activities

2.1 No employee may, except with advance written approval from PBSI's Legal Department, make any political contribution on behalf of PBSI or use PBSI's name, funds, property, equipment or services for the support of political parties, initiatives, committees or candidates. This includes any contribution of value. Additionally, lobbying activities or government contacts on behalf of PBSI should be approved in advance with the Legal Department.

2.2 This guideline for PBSI's political activities is not intended to discourage or limit us from making personal contributions of funds or time in support of the candidates and political parties of our choice. PBSI will not reimburse us in any way, however, directly or indirectly, for our personal contributions or other support.

3. Political Office

3.1 If any of us desire to run for an elective political office or to accept an appointment to any government office, whether paid or unpaid, we will obtain the CEO's written, advance approval through our manager. The CEO will obtain written, advance approval from the Board of Directors before running for or accepting an appointment to any political or government office. [Thomas – are you okay with this section?]

4. Felony Convictions

4.1 Our Company believes in rehabilitation and affording rehabilitated individuals convicted of crimes the opportunity to demonstrate that they have changed their priorities and activities that led to their conviction of a crime. However, the Company reserves the right to safeguard all individuals associated with the Company and Company assets. As such, we may deny employment or terminate an existing employment if an individual exhibits any activity that threatens other individuals, brings into question the individual's compliance with the Code or evidence of potential illegal or criminal activity.

4.2 If while employed by the Company, an individual commits a crime, defined as a violation of law including violent crimes, property crimes, felonies, indictable offences, misdemeanors, and summary offences, but does not include civil infractions or minor violations, that employee will be terminated immediately upon conviction. If that individual is not convicted, the Company still has the discretion to terminate or discipline that employee, if the actions or allegations are harmful to the Company's business or reputation. Supervisors will review the individual's performance and area of responsibility to determine if any related criminal activity occurred within the Company. All employees will fully cooperate with appropriate investigations into potential criminal activities. Our company has a complete open door policy to any and all local, state, or federal law enforcement and investigative agencies. Any employee, who knowingly hinders in any way the investigation of inappropriate or criminal activity, will have his or her employment terminated immediately. Any obstruction should be reported by senior management to the appropriate authorities immediately.

4.3 Our company will not hire illegal immigrants or other individuals who are brought into this country or other countries for illegal purposes. All employees must either be legal US citizens or citizen of a foreign country in which the Company operates or must have proper documentation that they have entered and live in the country legally. Illegal immigration or other related activities will be reported to the appropriate authorities immediately. Failure to report illegal activity may result in employment termination.

4.4 Any felony convictions or arrests, either personal or concerning another employee, will be reported immediately to Human Resources. This policy does not include misdemeanors or minor traffic violations.

G. COMMUNITIES

1. Community Service

1.1 We actively support the communities in which we operate. In addition to providing life-enhancing products and services and employment opportunities, PBSI employees may provide generous financial and voluntary support to many worthwhile community programs.

2. Personal Community Activities

2.1 We are free to support community, charity and political organizations and causes of our choice. Each of us must ensure that our outside activities do not interfere with our job performance. No employee may pressure another employee to express a view that is contrary to a personal belief, or to contribute to or support political, religious or charitable causes.

3. Environment

3.1 We will respect the environment by complying with all applicable environmental laws. We will notify our supervisors if hazardous materials come into contact with the environment or we believe them to be improperly handled or discarded.

4. External Communications

4.1 To ensure professional and consistent handling, we will forward requests from the media to the Vice President for Public Relations, the CEO, the CFO, the COO or General Counsel. We will forward requests

from financial analysts and shareholders to Investor Relations, the CEO, the CFO, the COO or General Counsel. We will let the experts handle such situations and only authorized individuals will communicate with the media and/or investors.

H. CONFLICTS OF INTEREST

1. General Guidance

1.1 Playing favorites or having conflicts of interest – in practice or in appearance – runs counter to fair treatment and good business judgment. Our goal is to avoid any relationship, influence, or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. We are required to disclose to our manager any situation that may be, or appear to be, a conflict of interest. When in doubt, it is best to disclose. Several of the most common potential conflicts of interest include the following: an employee working simultaneously for a competitor, customer, or supplier; employees receiving or giving improper personal benefit towards family or friends inside or outside of the Company; business decisions influenced by private interest that conflict with the interests of the Company.

2. Outside Employment

2.1 We may not work for or receive payments for goods or services from any regulator, supplier, contractor, or competitor of PBSI without written approval from the Company's General Counsel. Any outside activity must be strictly separated from PBSI employment and should not harm job performance at PBSI. We must make sure that the skills we learn and use at PBSI are not used in such a way that could hurt the business of PBSI.

3. Board Memberships

3.1 Except for board appointments made prior to an employee's date of hire with PBSI and disclosed, serving on the Board of Directors or a similar body for an outside company or government agency requires the advance approval of General Counsel. Helping the community by serving on boards of non-profit or community organizations is encouraged, and does not require prior approval unless the organization is directly or indirectly related to the Company or industry, or which may cause conflict of interest.

4. Personal Relationships

4.1 A person having a close "personal relationship" with us refers to our spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, or brothers and sisters-in-law, aunts or uncles, nieces or nephews, by blood or marriage; any person living in the same home with us or any of our personal business associates.

5. Business Transactions

5.1 When we directly or indirectly cause PBSI to do business with a person having a close personal relationship with us, it is always considered a conflict of interest. We will disclose all such relationships to our manager, in advance of the business transaction. Required disclosure of a transaction does not mean that PBSI will prohibit it. Each case will be decided on an individual basis.

5.2 We understand that PBSI strives to recruit, reward and retain exceptional employees, regardless of their relationship with others. To maintain objectivity and morale, people having close personal relationships with us should not have either direct or indirect reporting relationships to us or job responsibilities that conflict with ours. This restriction applies only to permanent employment positions, not temporary positions such as summer help or internships. Close personal relationships with respect to employment positions existing and disclosed as of January 2, 2007 are grandfathered.

5.3 Potential conflicting job responsibilities will be analyzed on an individual basis. Examples of conflicts of interests include the following: spouses of PBSI employees acting as an underwriter and an agent; siblings employed at PBSI as an auditor and an accountant; and plant manager employing his/her son-in-law.

6. Investments

6.1 We may not allow our investments to influence, or appear to influence, our independent judgment on behalf of PBSI. For example, we could create the appearance of a conflict of interest if we have an investment in a supplier, customer, distributor or competitor that is material to such investee and our decisions may have a material business impact on this outside party. If there is any doubt about how an investment might be perceived, it should be disclosed in advance to General Counsel.

6.2 We are also prohibited from directly or indirectly buying, or otherwise acquiring rights to any property, businesses, or materials, when we know that PBSI may be interested in pursuing such an opportunity and the information is not public.

7. Gifts

7.1 Gifts are not always physical objects – they might also be services, favors or other items of value.

7.2 We don't accept kickbacks or lavish gifts. We will not accept anything that might make it appear that our judgment for PBSI would be compromised. We can accept items of nominal value and any gift over \$250 cannot be accepted without approval from a supervisor (executive level or higher).

7.3 Some business situations call for giving gifts. Gifts purchased with PBSI funds must be legal, reasonable, and approved in advance by a supervisor (executive level or higher), if they exceed \$50. We will not provide any gift, however, if it is prohibited by law or by the recipient's organization, or provide a gift to a representative of any governmental agency. If in doubt, check first. We never give bribes or kickbacks.

7.4 We will not pay any premiums for customers or provide any gift, discount, favor, etc. that could be construed as a kickback, a practice that is prohibited by government agencies and departments.

8. Entertainment

8.1 We consider "entertainment" to include representatives of PBSI and non-PBSI personnel at the event. For example, if a business partner does not attend an event they give for two PBSI employees, the event is a gift and vice versa.

8.2 We may accept entertainment that is reasonable in the context of the business and that advances PBSI's interests. For example, accompanying a business associate to a local cultural or sporting event, or

to a business meal, would be acceptable in most cases. Entertainment that is lavish or frequent may appear to influence one's independent judgment on behalf of PBSI. If an invitation seems inappropriate, we must turn down the offer or pay the true value of the entertainment ourselves. We should discuss accepting entertainment that may appear inappropriate with our manager in advance.

8.3 We may provide entertainment that is reasonable in the context of the business. If we have a concern about whether providing entertainment is appropriate, we will discuss it with our manager in advance. Entertainment of government officials must in all respects be of such a nature that neither the officials' nor PBSI's integrity or reputation could be questioned.

9. Travel

9.1 We may accept transportation and lodging provided by a supplier or other third party, if the trip is for business and is approved in advance and in writing by our supervisors. All travel accepted must be accurately recorded in our travel expense record. If travel is part of a gift i.e. free trip to the Caribbean, etc., that travel falls under the "Gift" guidelines of section 7 under "Conflicts of Interest" of the Code.

9.2 PBSI may pay the transportation and lodging expenses incurred by suppliers, consultants or customers in connection with PBSI business. All travel by government officials that is sponsored or paid for by PBSI must be approved in advance by the Legal Department.

I. FOLLOW-THROUGH

1.1 To ensure that our written commitment to ethical business conduct is practiced, we must feel that we can report ethical concerns without fear of retaliation. Retaliation against any employee who honestly reports a concern about illegal or unethical conduct will not be tolerated. Along the same lines, it is unacceptable to knowingly file a false report.

1.2 When faced with a possible ethics violation, we are first encouraged to discuss it with our supervisor or department head. We should not hesitate to talk to them about a question of business conduct, no matter how small or insignificant it may seem. The department head will then contact Human Resources or Legal Counsel, depending on the nature of the issue. However, there may be some situations where we are uncomfortable about approaching our supervisors. For those situations, we may talk directly with a corporate attorney or a manager from Human Resources.

1.3 Another option available for employees to report concerns regarding the Company's accounting procedures and information or suspicions about criminal or illegal activities is to call PBSI's Ethics Line. This is an outsourced line operated by Global Compliance Services, Inc. (Global Compliance), a service provider that is independent of PBSI and its management, to help us manage the reporting of issues. Employees can call the Ethics Line toll-free at any time (365 days a year, 24/7) to report concerns confidentially and anonymously. All reports will be investigated thoroughly. The company will not tolerate retaliation against whistleblowers who report legitimate issues to their supervisors, other company officials, or the Ethics Line. For more information, see PBSI's Ethics Line Policy.

1.4 PBSI's agents, vendors, customers, business partners and other stakeholders are also encouraged to follow the provisions of the Code and are encouraged to use the Ethics Line to report possible violations.

In addition, we expect PBSI agents, vendors, customers, business partners and other stakeholders to comply with the Code in its business dealings with PBSI.

1.5 Possible ethics violations will be investigated in a competent, fair, and confidential manner. Any employee found to be in violation of the Code of Business Conduct shall be subject to disciplinary action, which could include termination of employment. It is PBSI's policy to seek and assist in the prosecution of persons who are believed to have committed criminal acts against PBSI.

1.6 The CEO serves as the final authority with regard to PBSI's Code of Business Conduct. General Counsel will appraise PBSI's overall ethics program and report on the program to the Audit Committee or the Board of Directors as appropriate.

1.7 Confirmation will be obtained from each employee that he or she read the Code, has complied with the Code, and is not aware of any violations other than those the employee lists in his or her response. Confirmation will be obtained from all newly hired employees when they are hired and from all existing employees when the Code undergoes significant revisions, when other circumstances dictate that a reconfirmation would be helpful or once every three years.

J. SARBANES-OXLEY COMPLIANCE

1.1 The Sarbanes-Oxley Act of 2002 and rules of the Securities and Exchange Commission require PBSI to disclose whether it has a code of ethics applicable to certain officers. Stock market rules also require the Corporation to maintain a code of ethics applicable to executive officers and directors. The PBSI Code of Business Conduct is the tenet for ethical behavior for our business and applies to all employees, including senior management of the Corporation. This Section J applies specifically to PBSI's President and CEO, CFO, and principal accounting officer or controller (i.e., the "covered officers"), the executive officers and to the members of PBSI's board of directors. The covered officers and executive officers other than the covered officers are otherwise subject to the Code of Business Conduct, but to the extent there is a conflict between this Section and Sections A - I of this Code, this Section J shall control.

1.2 For purposes of this Section J, "executive officer" shall mean any person with the title Senior Vice President or above and any other person who has significant decision making authority or control over one of the Corporation's major business units or subsidiaries. No person shall be deemed an executive officer who does not meet the definition of executive officer as contained in the rules of the Securities and Exchange Commission or appropriate stock exchange.

1.3 The covered officers shall assist the Corporation in making full, fair, accurate, timely and understandable disclosure in reports and documents which PBSI files with or submits to the United States Securities and Exchange Commission and in other public communications made by PBSI. The covered officers shall establish appropriate procedures for this purpose. All applicable law and regulations should be followed by PBSI, its board of directors, and employees. The directors will support and assist, when appropriate, the covered officers and PBSI in complying with applicable law and regulations and making fair, accurate, timely and understandable disclosure in public filings under the securities laws.

1.4 The Code of Business Conduct states that the final authority with regard to the Code is the CEO and President of PBSI. However, if the conduct of any covered officer, executive officer or director of the Corporation under the Code is called into question, or represents a material transaction or relationship that

has given rise to or could reasonably be expected to give rise to conflict of interest, such final authority shall be the Board of Directors of the Corporation. Any employee, including any covered officer, executive officer, or any director, who believes a violation or other unethical conduct has occurred that involves any covered officer, executive officer or director may report the violation or unethical conduct directly to the audit committee of the board of directors of the Corporation, to the full Board of Directors or to the Corporation's general counsel who will in turn report to the board or the audit committee, as appropriate.

1.5 If any employee wishes to file a complaint or express concerns regarding the Corporation's accounting, internal accounting controls or auditing matters or any questionable accounting or audit matters, such complaints or concerns may be made in the same fashion as set forth in the last sentence of paragraph 1.4 of this section. All such reports of violations of the Code or complaints or concerns regarding accounting or audit matters as provided in the previous sentence may be made anonymously in whatever form the employee chooses.

1.6 Another option available for employees (as well as other stakeholders) to report concerns regarding the Company's accounting procedures and information or suspicions about criminal or illegal activities is to call PBSI's Ethics Line. This is an outsourced line operated by Global Compliance, a vendor that is independent from PBSI and its management. Employees can call the Ethics Line toll-free at any time (365 days a year, 24/7) to report concerns confidentially and anonymously.

1.7 Any covered officer, executive officer or director who proposes to enter into any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest shall report such transaction or relationship to the audit committee or to the board of directors and receive approval from the board of directors for such transaction or relationship before entering into it.

1.8 Any waivers of this Code applicable to the covered officers, executive officers or directors shall be approved by the Board of Directors of the Corporation and disclosed promptly.

1.9 Any alleged violation of this Code by any covered officer, executive officer or director shall be reviewed by the Board of Directors of the Corporation or the audit committee, if the matter relates to an item covered by paragraph 1.5 of this section. A decision may be reached by the board or audit committee regarding the nature and extent, if any, of the violation and the response to such violation, which can include termination and prosecution, after investigation of the facts deemed relevant by the board, or committee, giving due regard to protection for the person reporting the alleged violation.