



BANCORP INC.

(Including All Its Subsidiaries and Affiliates)

CODE OF CONDUCT AND ETHICS

PFF Bancorp, Inc.
(Including All Its Subsidiaries and Affiliates)

CODE OF CONDUCT AND ETHICS

GENERAL POLICY

Policy Statement - It is the policy of PFF Bancorp, Inc. and all of its subsidiaries and affiliates (herein collectively referred to as “PFF”), that PFF’s affairs shall be conducted in accordance with high standards of integrity and business ethics. PFF is committed to conducting its business in compliance with all applicable federal, state and local laws and regulations. All directors, officers and employees of PFF are obligated to conduct themselves in a lawful and ethical manner and must not compromise these standards.

Definitions –

- “PFF” shall collectively include PFF Bancorp, Inc. and all of its subsidiaries and affiliates.
- “PFB” shall mean PFF Bancorp, Inc.
- “Bank” shall mean PFF Bank & Trust.
- “Employee(s)” or “person(s)” shall mean all directors, officers and employees of PFF Bancorp, Inc. and all of its subsidiaries and affiliates.
- “Code” shall mean this Code of Conduct and Ethics.
- “Ethics Officer” is designated by the Nominating and Corporate Governance Committee of the Board of Directors to administer this Code. The Board has designated the General Counsel of PFF Bancorp Inc./PFF Bank & Trust as the Ethics Officer.
- “Affiliated Persons” includes a director, officer or controlling person of PFF, or a member of the immediate family of such person, as well as any company controlled by such person. Immediate family member includes a spouse, father, mother, children, brothers, sisters and grandchildren; the father, mother, brothers and sisters of such person’s spouse; and the spouse of a child, brother or sister of such person.

Purpose - The purpose of this Code is to provide a framework for the conduct expected of all Employees of PFF. It is expected that all such persons will not violate the specific guidelines nor conduct themselves in any manner which violates the spirit of the Code.

Questions, Reporting and No Retaliation Under the Code –

- Employees should address any questions about their responsibilities under this Code to their supervisor or the Ethics Officer.
- Employees are encouraged and directors, officers and supervisors are required to report violations of laws, regulations or this Code using the processes described in the Code.
- PFF will not permit retaliation against any individual for reports made in good faith.

CONFLICTS OF INTEREST

General Policy - All Employees of PFF, or persons who have the power to direct PFF's management or policies or who otherwise owe a fiduciary duty to PFF, have an affirmative duty to promote and advance the interests of PFF, and shall not advance their own personal or business interests, or those of others with whom such persons have a personal or business relationship, at the expense of PFF or in conflict with any obligation owed to PFF. These persons have a fundamental duty to avoid actual, potential or perceived conflicts of interest with PFF.

The following examples of conflicts are provided to clarify the scope of this Code provision, but are not intended to describe all situations that might be covered by this provision:

- Employees may refer potential borrowers to PFF but must not imply to either PFF staff or the borrower that preferential treatment will be given.
- A person who owes a fiduciary duty to PFF receives money or other benefits from a third party in return for PFF granting a loan to or purchasing property from the third party;
- A third party makes a payment or provides employment to a spouse, child, parent, sibling or business partner of an Employee or affiliated person of PFF to influence PFF's decision on a loan or other benefit to the third party;
- An Employee or other person who owes a fiduciary duty to PFF advocates a transaction between PFF and a company in which such person owns stock or serves as an officer or director, at the expense of PFF.

All Employees should assume the position of a regular customer when handling their personal business with PFF. All transactions should be handled in the normal over-the-counter procedure. No Employees will be permitted to transact PFF business for themselves, a relative, or any party that could give the appearance of a conflict of interest.

Receipt of Gifts, Benefits and Related Items - Federal law makes it a crime for any Employee of a federally insured bank or bank holding company, directly or indirectly, to ask, solicit, accept, receive or agree to receive anything of value, for himself or for any other person or entity, for, or in connection with, any transaction or business of PFF. This includes any type of gift, gratuity, favor, service, loan, legacy (except from a relative), fee or compensation, or anything of monetary value.

Specific exceptions to this prohibition are made if in fact and appearance there is no reasonable likelihood of improper influence in the individual's performance of duties on behalf of PFF. The personal benefit, however, must be one of the following:

- Normal business courtesies, such as a meal, refreshment or entertainment of reasonable value, involving no more than ordinary amenities, in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions.

- Non-cash gifts of reasonable value (under \$50.00) such as received at holiday time or special occasions (i.e. a new job, promotion, wedding, or retirement) which represent expression of friendship.
- Gifts based upon obvious family or personal relationships when the circumstances make it clear that it is those relationships, rather than the business of PFF, which are the motivating factors.
- Unsolicited advertising and promotional material of nominal value, such as pens, pencils, note pads, key chains and calendars.
- Awards given by charitable, educational, civic, or religious organizations for meritorious contributions or service.
- Loans from other banks or financial institutions on customary terms to finance proper and usual activities, such as home mortgage loans, except where prohibited by law.
- Discounts or rebates on merchandise or services that do not exceed those available to other customers.

Any solicitation, offer or receipt of an improper payment should be immediately reported to one's supervisor and the Ethics Officer who will instruct as to the appropriate action.

Business with Affiliates and Relatives - Employment of PFF by other parties, especially those with a relationship with PFF, or the making of any gift or provision of any service to PFF to influence PFF's decision whether to employ an immediate family member of such person, is prohibited. No Employees of PFF shall conduct PFF business with any corporation or other business entity in which he/she or any of his/her relatives has an ownership or other interest without the prior approval of PFF.

Borrowing from a Client or Customer - No Employee of PFF shall borrow money or any other item of more than nominal value from any present or potential client, customer, vendor or supplier of PFF without the prior approval of PFF, unless the customer is a recognized lending institution.

Giving Advice to Customers – Employees may occasionally be asked by customers to comment upon the legality of a particular transaction. Since PFF cannot practice law or give legal or tax advice, exercise care in discussing transactions with customers and nothing should be said that might be interpreted as the giving of legal or tax advice.

Usurpation of Corporate Opportunity – No Employee may usurp any corporate opportunity that properly belongs to PFF, unless the board of directors knowingly elects not to avail itself of such opportunity and such person's participation is approved in advance by the board. It is the policy of PFF that all of its affiliates, including directors and officers, take all steps necessary to avoid the appearance of usurping a corporate opportunity.

Usurpation of a corporate opportunity involves taking advantage of an opportunity that PFF may without any legal or other impediment, undertake for its own benefit. This includes (a) taking for themselves personally opportunities that are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for

personal gain; and (c) competing with PFF. Usurpation of a corporate opportunity is deemed to be a breach of fiduciary duty. If an Employee of PFF is deemed to have usurped a corporate opportunity of PFF, the usurping individual shall immediately disgorge all profits gained to PFF.

Board Consideration of Transactions by Directors and Management - If an officer or director has an interest in a matter or transaction, such individual must disclose to the Board all material nonprivileged information relevant to the board's decision on the matter or transaction, including: (a) the existence, nature and extent of their interest; and (b) the facts known to the individual as to the matter or transaction under consideration. The individual shall also refrain from participating in the discussion of the matter or transaction and recuse himself from voting on the matter or transaction (if such individual is a director).

Referrals between Affiliates - Any referral arrangements between the Bank and an affiliate shall comply with Section 23B of the Federal Reserve Act, and its implementing regulations, all regulatory policies governing uninsured product sales by affiliates, and any applicable anti-tying restrictions under federal banking law and regulations, and should be fully disclosed to customers.

PERSONAL FINANCES

General - All Employees are expected to conduct their personal affairs in a manner which does not jeopardize PFF's standing in the community. While PFF has the utmost respect for personal privacy and other rights, Employees are expected to manage their personal finances in a manner that (a) will not undermine their credibility with respect to PFF or its business, (b) will not have a detrimental effect on the exercise of their judgment on PFF-related business matters and (c) will not otherwise adversely affect or influence their conduct or actions made in their official capacity.

As part of its routine audit practices, Internal Audit reserves the right to audit employee accounts (deposit and loan) and other activities with PFF for compliance with this Code and applicable laws and regulations.

LOANS FROM PFF TO DIRECTORS, EXECUTIVE OFFICERS AND PRINCIPAL SHAREHOLDERS

It shall be unlawful for PFF, directly or indirectly, including through any subsidiary to extend or maintain credit, to arrange for the extension of credit, or to renew an extension of credit in the form of a personal loan to or for any director or executive officer unless permitted by law. An extension of credit maintained by PFF on July 31, 2002 shall not be subject to this provision provided that there is no material modification to any term of any such extension of credit on or after that date. Among other things, these regulations require that specified transactions be on terms and under circumstances, including credit standards, that are substantially the same, or at least as favorable to the Bank, as those prevailing for comparable transactions with unaffiliated persons and companies. However, some restrictions do not apply to a loan made or maintained by the Bank, if the loan is subject to the insider lending restrictions of section 22(h) of the Federal Reserve Act, and its implementing regulations. All loans with affiliates or affiliated

persons of PFF must comply with applicable individual loan and aggregate loan limitations. See the Director and Employee Loan Policy for additional details.

TRANSACTIONS WITH AFFILIATES

General - Any loan or other transaction involving an affiliate or affiliated person and the Bank must receive the prior approval of PFF. Section 23A of the Federal Reserve Act (FRA) is designed to protect financial institutions from abuses in financial transactions with companies with which the institution is affiliated. Section 23B, which has been made applicable to OTS regulated institutions, provides that PFF and its subsidiaries may engage in certain transactions with affiliates (all other subsidiaries of PFF Bancorp) only if the terms and conditions of the transaction, including credit standards, are substantially the same as those prevailing for comparable transactions with non-affiliates. If there are no comparable transactions, then the terms and conditions must be the same as those that, in good faith, would apply to non-affiliated companies.

Recordkeeping – The Bank must make and retain records that reflect all transactions subject to this policy between the Bank (including its subsidiaries) and affiliates, or between the Bank and an unaffiliated party to the extent proceeds of the transaction are used for the benefit of, or transferred to, an affiliate. Those records must reflect those transactions in reasonable detail per OTS regulation.

CONFIDENTIAL INFORMATION

Prohibition on Disclosure and Use - All Employees, affiliated persons, or other persons owing a fiduciary duty to PFF are prohibited from disclosing or releasing any Confidential Information in the possession of PFF. Any information regarding PFF's business (defined herein as "Confidential Information") is confidential, must not be released to the public (except as authorized by senior management or required by law) and must not be used for the personal gain or purposes of any individual or group. Any requests for information by someone other than a duly authorized party must be approved by the Ethics Officer or legal counsel. Confidential Information includes, but is not limited to: customer account information, proprietary information about the business of PFF, personnel and payroll records, methods, compilations and sources of information, documents, forms, publications, memoranda, correspondence, customer files, contracts, client lists, policies and procedures, plans, records, computer printouts, manuals, proposals, activity logs, financial information, e-mails, and all concepts, ideas, trade secrets or other information in or reasonably related to the business of PFF that have not been publicly released by duly authorized representatives of PFF. All Employees shall keep such Confidential Information confidential at all times during and after employment with PFF, will not disclose or communicate Confidential Information to any third party, nor make use of Confidential Information on their own behalf, or on behalf of any third party. Employees should consult with the Ethics Officer or legal counsel with any questions regarding whether specific information is Confidential Information.

Confidential information shall not be removed from PFF by any means, except in the ordinary conduct of PFF's business and then only with appropriate confidentiality agreements, without the

expressed permission of the Ethics Officer or member of Executive Committee. Any such information shall be immediately returned to PFF when it is no longer required to support the authorized removal.

Maintaining the confidentiality of all Confidential Information (including but not limited to customer information and account numbers), is a specific condition of employment. PFF has implemented appropriate procedures to meet the objectives of Section 501(b) of the GLB Act (15 USC 6801 (b)) and of the federal Interagency Guidelines Establishing Standards for Safeguarding Customer Information adopted pursuant thereto (66 Fed. Reg. 8615 (Feb. 1, 2001), which includes training of its employees and agents to maintain the confidentiality of all Confidential Information. For additional guidance, refer to Information Technology End-User Handbook chapter 4365.

INSIDER TRADING

General - PFF Bancorp. Inc. (PFB) is a public company, the common stock of which is traded on the New York Stock Exchange and registered under the Securities and Exchange Act of 1934, as amended (The "Exchange Act"). Pursuant to the Exchange Act, PFB files periodic reports and proxy statements with the Securities and Exchange Commission ("SEC").

Because PFB is a public company, Employees of all PFF entities have a responsibility not to participate in the market for PFB common stock while in possession of "material information" about PFB that has not been publicly disclosed. Under the Insider Trading and Securities Enforcement Act of 1988 ("Act"), PFB can be held liable for employee violations of the insider trading laws, unless it has adopted policies and procedures to prevent insider trading. Efforts by the SEC to police insider trading laws have highlighted the need for awareness of the responsibilities and potential liability in this area.

Prohibition Against Trading While in Possession of Undisclosed Material Information – All Employees, affiliated persons, or other persons owing a fiduciary duty to PFF may not buy or sell, directly or indirectly, or through family members, friends or otherwise, any securities of PFB while in possession of insider information. Additionally, Employees of PFF must not purchase or sell securities of any client of PFF, if the individual has, or believes he or she may have, material non-public information relating to such client. Such persons may not reveal any such information to family members or friends who may act upon such information in purchasing or selling securities of PFB.

If an Employee becomes aware of material information relating to PFF that has not been publicly disseminated (and must be publicly disseminated for at least two full business days), that person is prohibited from purchasing or selling PFB Common Stock, directly or indirectly, and is prohibited from disclosing such information to any other persons so that they may trade in the stock.

It is difficult to describe exhaustively what is "material" information, but one should assume that any information, positive or negative, that may be significant to an investor in determining

whether to buy, sell or hold PFB stock would be material. Information may be significant for this purpose even if it alone would not determine an investor's decision.

All inquiries in this regard, including, without limitation, inquiries as to whether information is material non-public information or whether a company or person is a client of PFF, should be directed to the Ethics Officer or Chief Financial Officer

Window Period for Trading While Not In Possession of Undisclosed Material Information – To minimize the risk of misuse of inside information, PFF has adopted a policy whereby directors and designated officers may, if they are not in the possession of material nonpublic information regarding PFF, engage in purchases and sales of PFB Common Stock only during the period beginning on the third business day after the public release of PFB's quarterly financial information and continuing through the end of the calendar quarter in which the information was released. The Board of Directors may grant certain exceptions to this policy upon a showing that there is acceptable limited risk of misuse of inside information.

PRIVACY

In order to assure access at all times to PFF property, and because Employees may not always be available to produce various documents, records, files or other items in their possession in the ordinary course of business, PFF reserves the right to conduct a routine inspection or search of PFF's premises at any time, without the consent of the officer or employee.

PFF's premises include all locations owned or leased by PFF or under the control of PFF, including office space, parking lots, closets, storage areas and lockers. PFF property includes all tangible and intangible personal property of PFF, including, without limitation, all furniture, equipment, file cabinets, computer hardware and software, licenses and copyrights. The foregoing includes all communications and transmissions of any kind, including all information stored on any hardware, software, electronic disk, voice mail, e-mail and all other electronic communication media.

Routine searches and inspections may include an Employee's office, desk, file cabinets, closet, locker, computer files, whether contained on a hard drive or floppy disk, including past and present e-mail communications, and similar places where PFF property may be located, whether or not such places are locked.

All system pass codes must be available to PFF at all times. Employees may not use pass codes that are unknown to PFF and are prohibited from using the code of another employee to gain access to that individual's e-mail, voice mail or computer system.

Employees are prohibited from using PFF's information systems in any way that might be considered disruptive or offensive to others, including customers and vendors. Personal or inappropriate use of PFF's information systems may result in disciplinary action, up to and including termination. Inappropriate transmission includes, but is not limited to, sexually explicit messages, offensive language and ethnic, racial and gender-specific slurs.

OUTSIDE EMPLOYMENT AND OTHER ACTIVITIES

Outside Employment - All Employees of PFF shall consult with their immediate supervisor, division head or the Ethics Officer before accepting any directorship, officership, offer of outside employment, etc. in an outside corporation or other business entity, especially where the corporation or entity does business or is likely to do business with PFF, competes with PFF, or if such outside employment in any way affects the individual's work, fellow employees, or PFF. When an officer or employee is asked to become a director or officer of an outside corporation (excluding social, fraternal, professional, educational, charitable, civic or religious organizations) it must also be approved by the supervising member of PFF's Executive Committee. Additionally the Employer must provide written notification to their supervisor.

Employees are not to act, without prior written approval of management, as executor, administrator, trustee, guardian or conservator, or in any other fiduciary capacity, whether or not it is related to the business of PFF. Approval, except in unusual cases, will normally be granted to act as fiduciary for a family member.

Political Activities –The Bank, or anyone acting on its behalf, is prohibited from making an expenditure or contribution either directly or indirectly in connection with an election to political office. All PFF entities are prohibited from making any contribution or expenditure in connection with any federal election or campaign. The use of the corporate facilities and equipment for political activities is deemed to be a contribution.

Employees are encouraged to participate and/or contribute to the political process as concerned individuals, through means which would include voting and the contribution of their own time and money, and participation in or contributions to political action committees. To avoid any interpretation of PFF sponsorship or endorsement, neither the PFF's name nor its address should be used or associated with any political advertisements or literature. Any such donations are not reimbursable from PFF.

SAFEGUARDING OF ASSETS AND INSTITUTIONAL PROPERTY

It is the responsibility of all Employees of PFF to safeguard the property and assets of PFF. Damaging PFF's or a customer's property or records or violating the confidentiality of such records is prohibited. Theft, carelessness and waste have a direct impact on PFF's profitability. All property and assets of PFF should only be used for legitimate corporate purposes. Internal accounting controls, record keeping policies, securities and investment policies, loan policies and underwriting standards and auditing policies have been established and disseminated by PFF to meet its business needs as well as the requirements of applicable laws and regulations. Any questions should be directed to the Ethics Officer.

PRESERVATION AND ACCURACY OF RECORDS

Whenever an Employee becomes aware of an investigation which affects PFF, he or she shall immediately notify PFF's President/CEO and General Counsel. Notwithstanding any PFF records retention guidelines, under no circumstances shall any records known to be the subject of

or germane to any anticipated, threatened or pending law suit or governmental or regulatory investigation or case filed in bankruptcy be removed, concealed or destroyed. All audit and audit review work papers shall be retained as required, in accordance with the rules promulgated by the Securities and Exchange Commission (“SEC”) under the Sarbanes-Oxley Act of 2002. For purposes of this section, “records” means any of hard copy, paper documents and electronic records, including but not limited to, e-mail, voicemail, and the contents of hard discs.

Employees shall always adhere to established accounting rules and audit controls. All records shall accurately reflect transactions in a timely manner. Incorrect or misleading entries shall be corrected immediately. Falsification of records or transactions shall be grounds for termination. Pursuant to rules promulgated by the SEC under the Sarbanes-Oxley Act of 2002, it shall be unlawful for any officer or director of PFB or any other person acting under the direction thereof, to take any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit of PFB’s financial statements .

SENIOR FINANCIAL OFFICERS

The Senior Financial Officers of PFB are expected to adhere to and advocate certain professional and ethical conduct in the fulfillment of their responsibilities. This professional and ethical conduct includes the promotion of professional conduct in the practice of financial management for the financial services industry, publicly traded companies and otherwise, as well as the deterrence of wrongdoing. Senior Financial Officers hold an important and elevated role in corporate governance in that they are uniquely capable and empowered to ensure that all stockholders’ interests are appropriately balanced, protected and preserved.

This purpose of this section is to provide principles to which Senior Financial Officers of PFB are expected to adhere and advocate. They embody rules regarding individual and peer responsibilities, as well as responsibilities to other employees, the public and other stakeholders. It is expected that Senior Financial Officers will not violate the specific guidelines nor conduct themselves in any manner which violates the spirit of the Code.

The term “Senior Financial Officer” shall include PFB’s principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions. The Board of Directors of PFB shall, by resolution, designate the Senior Executive Officers who shall be subject to this Code, which designations shall be updated from time to time, as appropriate.

All Senior Financial Officers of PFB shall:

- Act ethically, with honesty and integrity, including ethically handling actual or apparent conflicts of interest between personal and professional relationships.
- Perform responsibilities with a view to causing reports and documents filed with, or submitted to the Securities and Exchange Commission (“SEC”) and in other public

communications made by PFB, to contain disclosure of information which is full, fair, accurate, timely and understandable.

- Comply with laws of federal, state and local governments applicable to PFB, and the rules and regulations of private and public regulatory agencies having jurisdiction over PFB.
- Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting or omitting material facts or allowing independent judgment to be compromised.
- Encourage and reward professional integrity in all aspects of PFB's finance and accounting departments, by eliminating inhibitions and barriers to responsible behavior, such as coercion, fear or reprisal, or alienation from PFB itself.
- Provide a mechanism for members of the finance and accounting departments to inform senior management of deviations in practice from policies and procedures governing honest and ethical behavior.
- Respect the confidentiality of information acquired in the course of the performance of his or her responsibilities except when authorized or otherwise legally obligated to disclose, and not use confidential information acquired in the course of the performance of his or her responsibilities for personal advantage.
- Proactively promote ethical behavior among subordinates and peers.
- Use corporate assets and resources employed or entrusted to them in responsible manner.
- Not use corporate information, corporate assets, corporate opportunities or one's positions with PFB for personal gain, and not compete directly or indirectly with PFB.
- Comply in all respects with PFB's Code and other policies relating to the disclosure of material information.
- Advance PFB's legitimate interests when the opportunity arises.

Additionally:

- All Senior Financial Officers of PFB will be required to annually certify their compliance with this Section and file such certification with the Audit Committee of the Board of Directors.
- Any violations of this Section may result in disciplinary action, up to and including immediate termination.
- The Audit Committee shall have the power to monitor, make determinations, and recommend action to the Board of Directors with respect to violations of this Section.
- The Audit Committee shall annually review with management the implementation of this Code, and shall assure that the Board of Directors of PFB receives an objective and adequate flow of information as to the matters that lie within the scope of this Section.
- Any alleged violations of this Section shall be promptly reported to the Ethics Officer who shall in turn immediately notify the Chair of the Audit Committee.
- If an Employee would feel more comfortable submitting his or her inquiry or reporting a concern on an anonymous basis, the employee may utilize the Whistleblower policy within this Code.
- Any waivers of any provision of this Section shall be approved and documented by the Board of Directors and shall be disclosed on a timely basis, in accordance with applicable law. Waivers will not be granted except under extraordinary or special circumstances.

- Any amendments made to this Section shall be approved by the Board of Directors and shall be disclosed on a timely basis, in accordance with applicable law.

WHISTLEBLOWER POLICY

Pursuant to the Sarbanes-Oxley Act of 2002, PFF has established this procedure by which any Employee may make a confidential and anonymous complaint regarding any perceived irregularities or questionable activities in accounting, internal accounting controls or auditing matters and report any potential theft, misappropriation of assets or other violation of the Code.

To register a confidential and anonymous complaint, call the hotline provider.

Sufficient information needs to be provided to the hotline provider so PFF can conduct a meaningful inquiry. The terms of engagement with the hotline provider do not require that an Employee give their name or other identifying information. It is PFF's objective to insure there is an open and anonymous line of communication regarding matters of this nature. The Employee will be given a case number if they wish to provide additional information in the future.

Once a complaint is received, the hotline provider is required to: (a) provide the pertinent information to the Ethics Officer and Chief Internal Auditor for investigation and reporting to the Audit Committee of the Board of Directors; and (b) provide a periodic summary report directly to the chair of the Audit Committee. All investigations will be performed in a confidential manner. If there is a violation of law, regulation or policy that falls within this section, appropriate action will be taken to address the matter.

Generally PFF will provide a response through the hotline provider; however, it may not be appropriate to give details to the Employee who filed the complaint. Employees can be assured that under applicable laws PFF is required to keep records regarding the receipt of such complaints, their investigation and ultimate disposition, which will be reviewed by the Audit Committee of the Board and regulators during the routine examination of PFF.

Complaints regarding other matters not intended to be covered by this section (i.e. personnel administration, security, safety) should be made through normal channels as set forth in other sections of PFF's various policies.

CODE ADMINISTRATION AND ENFORCEMENT

Administration Responsibility - The Ethics Officer is responsible for administering and enforcing this Code.

Responsibility to Report Code-Related Matters - All Employees and other persons subject to this Code must report Code related matters to their immediate supervisor and/or to the Ethics Officer as provided herein. All supervisors, the President/CEO, Chairman of the Board and each director receiving such reports must promptly advise the Ethics Officer of any Code related

matters, even if such person has reason to believe that the Ethics Officer has already been advised.

Investigation and Resolution of All Code Violations - Any report of a potential Code-related matter involving a Code Violation shall promptly be investigated by the Ethics Officer (or the Chief Internal Auditor if the Ethics Officer is unavailable or has a conflict). If a report is received pursuant to the Whistleblower policy, then a joint investigation is initiated by the Ethics Officer and Chief Internal Auditor in which event the Whistleblower policy shall guide the investigation and line of reporting.

Sanctions for Code Violations - Failure to comply with the policies in this Code may result in disciplinary action, ranging from a reprimand to termination of employment and possible civil and criminal prosecution. Disciplinary actions may be pursued by PFF against all of the following: (a) any Employee violating this Code; (b) any Employee who willfully fails to report or withholds information regarding a Code violation, or fails to cooperate in an investigation of a Code violation; (c) the manager or supervisor of a person who has committed an act under (a) or (b), in circumstances where such violation reflected poor supervision or lack of diligence; and (d) any Employee who retaliates, directly or indirectly, against any Employee who in good faith reports a suspected Code Violation. In addition, Code violations may expose the offending Employee and PFF to monetary damages, regulatory penalties and criminal sanctions. PFF will ensure that all disciplinary actions taken to enforce this Code are applied consistently and in accordance with all applicable laws and regulations.