Corporate Governance Guidelines

1. Preamble:

The business and affairs of Pulse Electronics Corporation ("the Company´) are conducted by its employees, managers, and officers under the direction of the Chief Executive Officer to enhance long-term shareholder value. The Company´s Board of Directors oversees the business of the Company to ensure these goals are met and believes that sound corporate governance practices provide an important framework to assist them in fulfilling these responsibilities. Accordingly, the Board has formally adopted corporate governance guidelines relating to its functions, structure and operations. These guidelines, which the Board reviews periodically, are set forth below.

Each Director stands in a fiduciary relationship to the Company and must perform his/her duties as a director in good faith, in a manner he/she reasonably believes to be in the best interests of the Company and with such care (including reasonable inquiry), skill and diligence as a person of reasonable prudence would use under similar circumstances.

2. Board Functions

- Approval of Major Strategies and Financial Objectives; Acquisitions and Divestitures.

  Each year the Board will review and approve the one-year business and financial goals and three-year strategic plans and will regularly monitor performance and progress against these plans. In this role, the Board will strive to act as an effective advisor and counselor to senior management, focusing on strategy and direction, and avoiding the temptation to become involved in operational management.

  In addition, the Board will review and approve or disapprove any acquisition or sale of a business if the total consideration for such transaction exceeds $10 million.

- Risk Assessment.

  The Board is responsible for annually assessing the major business risks faced by the company and the strategies and plans for addressing those risks.

- Executive Management, Development and Succession.

  The Board will devote sufficient time to become familiar with the senior leadership team of the Company, and will review annually, with the Chief Executive Officer, senior management succession planning and development. Contingency plans will be available to assure the smooth transition of management functions in the event of the unexpected loss of any senior manager in the Company.

- Chief Executive Officer Selection, Evaluation and Compensation.

  The Board is responsible for selecting and evaluating the CEO., Through its Compensation Committee, the Board approves the compensation of the CEO and other executive officers, and together with the CEO, will jointly set annual goals for the CEO and evaluate his/her performance against these goals. The evaluation will be based on objective criteria which shall include, among other factors, corporate performance, development of management, and the accomplishment of annual objectives and long-term strategic goals.

  In addition, the Company's executive compensation program is designed and administered with clear and strong linkages to its business strategy, short term and long-term goals, particularly the creation of shareowner value, and to develop talented executives and motivate them to work for the long-term advantage of the Company´s primary stakeholder groups. The Compensation Committee will have the responsibility of approving the executive compensation plan and for reviewing and approving the CEO´s goals and objectives relevant to his/her compensation. Any material changes in Company´s executive compensation plans shall be brought to the full board for review and approval.

- Board Evaluation.

  The Board and its committees will each set achievement goals annually, covering specific categories such as fiduciary oversight; Board governance and process; strategic planning; executive development and succession and financial matters. The Board, through the leadership of the Governance Committee, will annually evaluate the functional effectiveness of the Board and its committees against these goals. Each director will complete a written and quantitative assessment of the Board and the Board will meet annually to discuss these assessments. The purpose of this evaluation is to increase the effectiveness of the Board as a whole, as well as its individual members. Similar annual assessment mechanisms will be established by each committee of the Board.

  It is expected that members continue to update their knowledge of governance matters and board responsibilities by relevant continuing education. Expenses incurred by members will be reimbursed in accordance with the policy attached to these Guidelines as Schedule 1.

- Director Compensation.

  The Board, through the Compensation Committee, will periodically review the Company´s director compensation compared with companies that are of similar size and scope to ensure that such compensation is reasonable and competitive. Director compensation shall be strictly limited to cash and stock awards which comply with the Board´s policies on such matters, and the amount of which will be reported to the shareholders annually. No other form of compensation (deferred or otherwise), benefits or indirect remuneration shall be permitted.

Board Structure

- Number, selection, retirement and resignation of Directors.

  The Board will normally consist of between five and nine members. A majority of all Board members will be “independent directors´ as that term is defined by NYSE listing standards (the “Standards´).

  The Governance Committee of the Board has the responsibility for nominating individuals qualified to become Board members and, in so doing, the committee´s objective will be to select individuals with skills, diversity and experience which can be of assistance to management in operating the Company's business. As far as possible, the Board members´ experience sets and skills should be largely complementary with one another.

  New Board members are required to participate in an orientation program, developed by the Company, within 12 months of joining the Board

  No director may stand for reelection after reaching the age of 72. A director is required to submit his or her resignation each time he or she changes his/her principal occupation. The Governance Committee will recommend to the Board the action, if any, to be taken with respect to this resignation.

- Committees of the Board.

  The Board shall have at least three subcommittees: Governance, Audit and Compensation. Additional committees may be formed and disbanded as required by the whole Board. In consultation with the

Chief Executive Officer, the Board will determine the responsibilities and membership of its committees and will annually appoint the chairman of each committee (keeping in mind the need for diversification balanced against the need for continuity). At least one member of the Audit Committee must have accounting and financial management experience as defined by the Standards and applicable SEC regulations. Each committee will consist solely of independent directors.

The committee chairman, in consultation with committee members, will determine the frequency and length of the meetings of the committee, but each committee will meet at least two times per year, except the Audit Committee, which shall meet at least four times per year. Each committee shall have a written charter, and set annual objectives for its work, all of which shall be in compliance with the applicable rules and regulations of the SEC and the Standards. Committee Chairs will serve for no more than three consecutive years and the positions will be rotated among the Board members. These committees will support the Board as a whole, and all major decisions reached by the Board Committees will be reported to the Board at the following Board meeting.

- Limitation on the Number of Boards a Director May Serve.

  Members of the Company's Board shall be limited as to the number of other Boards on which they may serve, as follows. In addition to serving as a director of the Company, the CEO may serve as a director of no more than one other Public Company (as defined below) and each of the other directors of the Company may serve as a director of no more than two other Public Companies. There is no limitation on the number of non-public company boards, profit or non-profit, on which a Company director may serve. “Public Company´ shall mean any company whose securities are registered under the Securities Act of 1933, as amended, or any company that is required to file reports under the Securities Exchange Act of 1934, as amended.

- Stock Ownership.

  Each director is subject to the Company´s "Executive and Director Stock Ownership Guidelines."

Board Operations

- Number of Meetings.

  Regular meetings of the Board are held six times per year; however, the Board will meet as frequently as needed for directors to properly discharge their responsibilities. During each Board meeting, time will be set aside for the non-management directors to meet as a group. One member of the Board shall be named each year to act as the “Lead Director´ to facilitate and preside at these sessions. A list of the Lead Director's duties and responsibilities is attached to these Guidelines as Schedule 2.

- Conduct of Meetings.

  Board meetings will be conducted in a manner which encourages open communication, meaningful participation and timely resolution of issues. Each Director must prepare for each Board or Committee meeting sufficiently in advance so as to enable him/her to make significant contributions to each such meeting. Directors will receive materials concerning matters to be acted upon in advance of the applicable meeting, in time reasonably sufficient to allow them to devote substantive attention to these materials.

- Board Access to Senior Management.

  Board members have complete access to the Company's senior management. Board members will use prudent judgment to be sure that contact with management is not distracting to the company´s business operations and that the Chief Executive Officer is appropriately informed.

5. Adherence to the Company's Code of Business Conduct.

The Company's Code of Business Conduct will guide the Board in its actions and deliberations and the overall direction of the Company. Only the Board, or its Audit Committee, may waive a provision of the Code of Business Conduct for a Director or Executive Officer of the Company. Neither the Board, nor its Audit Committee, will waive any provision of the Code of Business Conduct, nor create any exceptions, except in compliance with applicable laws and rules and regulations, including those of the Standards.

The Company´s Ethics and Compliance Committee Chairman will report annually to the Board on the Company´s compliance actions and other relevant matters relating to the Code of Business Conduct.

GOVERNANCE COMMITTEE

SCHEDULE 1: DIRECTOR EDUCATION EXPENSE POLICY

The Company encourages each director to participate in director education programs. Board members are expected to complete at least 32 hours of education every two years through completion of programs that offer director education, CLE or CPE credits and each Board member may receive reimbursement for up to $4,000 every two years for such programs.

SCHEDULE 2: DUTIES AND RESPONSIBILITIES OF THE LEAD DIRECTOR

- In consultation with the independent directors review and provide the Chief Executive Officer with input regarding the agendas for the Board meetings;
- Preside at all meetings of the Board at which the Chief Executive Officer is unable to perform those duties;
- Preside at Executive Sessions of the independent directors and apprise the Chief Executive Officer of the issues considered
- Facilitate effective communications between the Board and the Chief Executive Officer;
- Work with the Committee Chairs to ensure the Committees of the Board are running smoothly and have the appropriate liaison from company´s management;
- Work with management to ensure that the Board receives the appropriate quality, quantity and timeliness of the information it needs;
- Be available, when appropriate, for consultation and direct communication with the Company´s shareholders;
- Call meetings of the independent directors when necessary and appropriate;
- Consult with the Chief Executive Officer on matters relating to corporate governance and Board performance; and
- Perform such other duties as the Board may from time to time delegate.