

SUBJECT: Business Ethics and Conduct

SCOPE: This policy applies to all employees in the United States and Canada.

PURPOSE: To ensure the Company's reputation for integrity and excellence is maintained by observing the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

POLICY: The continued success of the Company is dependent upon our customers' trust and employees' dedication to preserving that trust. Employees should comply with all applicable laws and regulations and conduct business in accordance with the letter, spirit and intent of all relevant laws and refrain from any illegal, dishonest, or unethical conduct.

Ethics are the fundamental ground rules for our work and working relationships. They do not impose limits on our success, but define how we will pursue our goals as a company and as individual employees. This is accomplished by acting in accordance with the following principles:

1. **Duty of fidelity** - Employees owe a duty of loyalty and fidelity to the Company. Employees are expected to perform their duties on behalf of the Company faithfully, diligently and to the best of their abilities.
2. **Conduct toward others** – An employee acts with integrity and honesty toward other employees, suppliers, external stakeholders, business partners and the public.
3. **Confidential information** - Confidential information (printed, electronic or otherwise) relating to the Company's past, present, future and contemplated assets, operations, products or services, industrial designs, inventions, production methods, marketing strategies and objectives, personnel, facilities, equipment, finances, pricing, interest rates, sales, customers, routines, policies, and business procedures must never be disclosed to anyone outside the Company's organization, without the Company's express written authorization.
4. **Adherence to legislation** – An employee does not knowingly violate or cause to be violated any statute or regulation which relates to the workplace, and adheres to all other legislation to the extent which professional capacity will permit.
5. **Conflict of interest & Disclosure of Potential Conflicts** - Employees must never allow themselves to be placed in a position where their personal interests are in conflict (or could be in conflict) with the interests or business of the Company. Employees must avoid any situation or activity that compromises, or may compromise, their judgment or ability to act in the best interest of the Company.

6. **Positions With Other Business Enterprise** - Employees must promptly disclose to the Company material information regarding any relationship as owner, partner, director, officer, employee or consultant in any other business enterprise (other than charitable, educational or religious organizations), whether direct or indirect (e.g. a member of the employee's immediate family), has with any person, or in any business or enterprise, that:
- a. Competes with the Polyair; or
 - b. Purchases or sells, or seeks to purchase or sell, goods or services to or from Polyair.

This section does not apply to financial interest resulting in ownership of securities of a publicly-owned corporation which is traded on a national or regional stock exchange or is listed in the published over-the-counter market, unless such ownership is extensive enough to provide a conflict of interest.

7. **Outside Employment or Business Activity**- During working hours, employees are expected to devote their full time and attention to the business and the affairs of the Company. If an employee wishes to engage in employment or business activity outside his/her employment with the Company, the employee must first disclose to the Company the nature and extent of the proposed employment or business activity, and obtain the Company's written approval. Approval will only be withheld if the Company reasonably determines that the employee's proposed outside employment or business activity could conflict or compete with the interests of the Company, or could negatively affect the employee's job performance or attendance.
8. **Political Contributions**- No employee shall utilize Polyair funds to make any contribution or payment to or on behalf of a candidate for political office, a public office holder, a political organization or a political party.
9. **Improper Payments**- No employee shall offer to make a payment of money or other property, or offer to make a gift of money or other property to any other person for the purpose of or with the intent of inducing the person to engage in a business transaction with Polyair.
10. **Gifts or Gratuities** - Employees must never accept any gratuities, loans, gifts of other than nominal value, or personal payments of any kind, from any person or business enterprise that:
1. Competes with the Company; or
 2. Purchases or sells, or seeks to purchase or sell, goods or services to, or from, the Company.

The acceptance of sports/concert tickets and the like from customers, vendors or potential vendors, which may exceed the nominal value

In general, using good judgment, based on high ethical principles, will be an adequate guide to acceptable conduct. If a situation arises where it is difficult to determine a proper course of action, the matter should be discussed openly with a manager, and if necessary with Human Resources for advice and consultation.

Compliance with this policy is the responsibility of every employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including termination of employment.

Any employee who is concerned that they may be or might become in violation of this policy should immediately disclose such relationship to the CEO and CFO, for referral to the Board for disposition.

Any person who believes there to be a real or potential violation of this policy is encouraged to report such by telephoning 1 800 668-4886 and talking to/leaving a message for one of the following:

Gary Tessitore- CEO- extension 6576 or
Mike McEntee- CFO- extension 6572

Retaliation against a person reporting a real or potential violation is prohibited by Polyair policy and law.

Note: This policy is posted on the Polyair web site and can be reached as follows:
www.polyair.com/ethics.asp

By signing this policy, I acknowledge understanding of the above policy and acceptance of the policy guidelines and constraints.

Signature: _____ **Dated:** _____

Name (printed): _____

Revised March 2011