

CODE OF ETHICS

Intent

To promote lawful and ethical behavior by all employees, officers and members of the Board of Directors and to ensure that the Company's business is conducted according to the values of the Company and all applicable rules, regulations and laws.

Applies to

This policy applies to all Employees, Officers, and Directors, where applicable, of the Company.

Guidelines

The Company is committed to conducting its business ethically and with integrity. The ethical conduct of the Company depends on the collective conduct of its Employees, Officers and Directors. The Company has established the PD Systems Ethics Program to coordinate compliance oversight activities company-wide. The Ethics Program establishes processes to assist Employees, Officers and Directors in obtaining guidance and resolving questions regarding ethical and compliance issues. The Company has adopted principles in the following areas to guide Employees, Officers, and, where applicable, Directors, on behaving with respect, honesty and decency towards everyone affected by our business:

- Compliance with laws, regulations, rules and policies;
- Appearance of good conduct and avoidance of conflicts of interest;
- Loans and guarantees of obligations;
- Employee relations;
- Harassment;
- Commitment to safety;
- Commitment to excellence;
- Community relations;
- Appropriate use of Company assets;
- Corporate opportunities;
- Fair dealing;
- Accurate Company records;
- Attendance;
- Solicitation and distribution of literature;
- Credit and Investigative Reports;
- Criminal Background Investigations
- Confidential Company information;
- Reporting violations;
- Changes to the Code of Ethics;
- Granting and disclosing waivers;
- Administration of Code of Ethics;
- Retaliation;
- Violations.

Each of these principles is described briefly in the paragraphs that follow.

Compliance with laws, regulations, rules and policies

Each employee and officer is expected to be familiar and comply with all of the policies of the Company that apply to their employment. In addition, a commitment to ethical conduct requires that employees and officers comply with the spirit of the law as well as the letter of the law. It is the duty of each employee and officer to know, understand and comply with any laws, regulations, and rules that apply in his/her job. Violating the law can seriously damage the Company's reputation, subject the Company to liability, and subject the employee or officer to personal liability. Questions concerning any legal responsibility should be referred to the Law Department. Examples of some significant laws and regulations are:

- Antitrust Laws;
- Environmental Laws and Regulations;
- Nuclear Regulatory Commission Regulations;
- Electric Safety Requirements;
- Pipeline Safety Requirements;
- Employee Health and Safety Laws and Regulations;
- Labor and Employment Laws;
- Securities Laws;
- Sarbanes-Oxley Act of 2002;
- Affiliate Transaction and Code of Conduct Regulations;
- Other Governmental Regulatory Requirements.

Appearance of good conduct and avoidance of conflicts of interest

Each employee, officer and Director has a responsibility not only to do the right thing but also to avoid behavior that could be perceived as failing to do the right thing. Employees, Officers and Directors should always act in the best interest of the Company and avoid even the appearance of a conflict of interest. A conflict of interest occurs when an individual's private interest interferes in any way with the interests of the Company as a whole. A conflict situation can arise when an employee, officer or Director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest also arise when an employee, officer or Director, or a member of his or her family, receives improper personal benefits as a result of his or her position with the Company. (To obtain additional guidance, employees and officers should see "Conflict of Interest" policy.)

Loans and guarantees of obligations

The Company has determined that the making of any new guarantees or loans to executive officers, and their family members is prohibited.

Employee relations

Each employee and officer should promote diversity, inclusiveness, and understanding in the workplace by valuing the individuality and creativity that every employee brings to the Company. The Company is committed to hiring, placing and promoting employees on the basis of ability and merit and evaluating employees on a fair and consistent basis.

Harassment

Management firmly believes that harassment of any kind seriously undermines the integrity of the employment relationship and respect for human dignity. The Company is committed to providing a work environment free from harassment, intimidation, and coercion based on or related to race, sex, religion, national origin, age, disability, or any other classification protected by law. Each employee and officer has a responsibility to uphold the Company's commitment to provide a workplace free from harassment of any kind.

Commitment to safety

Each employee and officer should perform his/her job safely at all times, protecting the public, customers, other employees and themselves from injury. It is each employee's responsibility to look out for and resolve unsafe situations. An employee should immediately report to management any unsafe situation he/she is unable to resolve.

Commitment to excellence

Each employee and officer should:

- Represent the Company with dignity and in a respectful manner.
- Strive for continuous improvement and maximize efficiency in his/her job.
- Work with others to achieve the common goal of quality service.

Community relations

Officers and employees should be responsible citizens of our local, state and national communities. The Company supports civic projects and community programs that contribute to the improvement of our society and encourages employee participation in these projects and programs.

Appropriate use of Company assets

Each employee, officer and Director has a responsibility to properly use Company property, facilities and equipment. This responsibility includes protecting Company property from loss, theft, abuse and unauthorized use. All Company assets should be used for legitimate business purposes.

Corporate Opportunities

Employees, Officers and Directors are prohibited from (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 the Company. Employees, Officers and Directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

Fair Dealing

Each employee, officer and Director should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

Accurate Company records

It is important that the Company maintain accurate and reliable records that meet applicable legal, financial, regulatory and management requirements. Each employee and officer has a responsibility to ensure all Company records, such as accounts, reports, bills, invoices, work and timekeeping records, and correspondence are accurate and maintained in accordance with the applicable document and data retention policies of his/her applicable business area. The Company's General Manager, Director of Business Operations, and Director of Finance are responsible for ensuring that the Company's financial statements, public reports and communications contain disclosure that is full, fair, accurate, timely and understandable. In that regard, the Director of Finance is responsible for establishing and maintaining effective disclosure controls and procedures and internal controls and procedures for financial reporting.

Attendance

Since working as a team is an effective way to conduct our business, we feel that absenteeism and tardiness adversely affect our collective performance and place a burden on co-workers.

You will be at work promptly every workday. If you cannot avoid being late to work or are unable to work as scheduled, you must notify your manager within two hours of your starting time or as soon as possible if you are not near a phone (e.g., delayed on public transportation). If you are unable to speak to your manager directly, contact the Business Operations Office. Excessive absenteeism and/or tardiness may be grounds for disciplinary action, up to and including termination. See Employee Absenteeism Policy for details.

Solicitation or Distribution of Literature

PD Systems strictly prohibits both employees and others from soliciting and/or distributing literature on PD Systems premises during business hours. PD Systems has established specific policies on solicitation for employees and for non-employees.

Employees:

- May neither engage in solicitation of any kind, nor allow themselves to be solicited during their work time;
- May not distribute or post any kind of literature in work areas or on bulletin boards; and
- May be subject to immediate dismissal or corrective action if they violate the policies.

Non-Employees:

- May not solicit and/or distribute literature of any kind anywhere on PD Systems premises including bulletin boards; and

- Are subject to the strict enforcement of this policy by managers and others in authority at PD Systems.

Credit and Investigative Reports

PD Systems may, at the time you begin your employment, or at any time during your employment, wish to obtain a consumer credit report and/or investigative report concerning your creditworthiness for employment purposes. In order to procure these reports, PD Systems will require you to complete its Authorization and Disclosure Forms. Please read these Forms very carefully before you sign them, and make sure to retain copies of them for your own records after you sign them.

PD Systems may take adverse action against you in connection with the information in the consumer report and/or investigative report, which may include a denial of employment or any other employment decision that adversely affects you.

However, PD Systems will not take any adverse action against you on the basis of the consumer report and/or investigative report without first providing you with both a copy of the report which is the basis for the adverse action and also a copy of A Summary of Your Rights Under the Fair Credit Reporting Act.

In the event that PD Systems does take adverse action against you based upon a consumer report or investigative report, PD Systems will, either orally, electronically, or in writing, within thirty (30) days: (1) notify you of the action taken; (2) provide you with the name, address, and telephone number, including a toll-free number, if any, of the consumer reporting agency which provided the report to PD Systems; and (3) notify you of your rights to (i) obtain a free copy of the report from the consumer reporting agency within the applicable sixty (60) day period, and (ii) dispute the accuracy and completeness of the report with the consumer reporting agency; and (4) inform you of the reason for the adverse action and the nature of the information upon which the adverse action was based.

Please review carefully, sign, and immediately return to Management the accompanying Consumer Report Authorization and Disclosure Form, if you have not done so already.

Please feel free to contact Human Resources if you have any questions.

Criminal Background Investigations

Every employee of PD Systems, whether full-time, part-time, volunteer or consultant, may be subject to a criminal background check.

As part of this background check, PD Systems may request the disclosure of criminal convictions which are related to a person's job, except those which have not been expunged or sealed. However, a conviction or convictions may not necessarily be an absolute bar to employment. PD Systems will not request the disclosure of a person's criminal arrest record.

Please review carefully, sign, and immediately return to Human Resources the accompanying Background Investigation Authorization, if you have not done so already.

Please feel free to contact Human Resources if you have any questions.

Confidential Company Information

Confidential information is any non-public information that - if disclosed - would be damaging to the best interests of the Company or might be of use to competitors. Each employee, officer and Director has a responsibility to hold all confidential information obtained from the Company or its customers in confidence, except when disclosure is authorized or legally mandated. Confidential information should not be shared with the media, competitors or any other third parties. If there is any doubt about whether such information has been publicly released or if disclosure is legally mandated, the employee, officer or Director should contact the General Manager or Director of Business Operations.

Reporting violations

If an employee or officer knows about or suspects misconduct, illegal activities, fraud, misuse of Company assets or violations of Company policies, he/she has a duty to report his/her concerns. Employees are encouraged to report any such concerns to their supervisor, the General Manager, the Director of Business Operations or the Director of Finance. There will be no retribution against any employee making such a report in good faith.

In addition, each year all employees will be sent a Compliance Survey in which they are asked whether they are aware of violations of laws, regulations or Company policies during the preceding year. This survey also serves as a certification that each employee who completes the survey has read and understands the Company's Code of Ethics. However, employees should not wait for the Compliance Survey to report violations. Violations should be reported as soon as they are discovered or suspected.

Changes to the Code of Ethics

Management may approve any updates or changes to the provisions of this Code and will report any such changes or updates to the Board of Directors. Additionally, any updates or changes to the provisions of this Code must be publicly disclosed in a prompt manner.

Administration of Code of Ethics

The Company's General Manager serves as the Company's Chief Compliance Officer. As such, he/she appoints several high level managers to serve as Compliance Officers. Each Compliance Officer is responsible for ensuring that the Company's Ethics Program functions effectively within his or her area of responsibility and for ensuring that the Code of Ethics is effectively communicated to employees and implemented on an ongoing basis.

The Chief Compliance Officer appoints a Deputy Compliance Officer to handle the day-to-day administration of the PD Systems Ethics Program.

Retaliation

It is a violation of this policy for any Company employee, officer or Director to retaliate or discriminate, directly or indirectly, or encourage others to do so, against an individual who reports a suspected violation or provides information relevant to an investigation of any conduct which the individual reasonably believes to be a violation of applicable laws, regulations, or Company policies.

Violations

The Company will investigate any violation or suspected violation of this Code and take appropriate corrective action. Disciplinary action may include termination, referral for criminal prosecution, and/or reimbursement to the Company for any losses or damages resulting from violations of the Code of Ethics. Examples of violations include:

- Authorizing or participating in actions which violate applicable laws, regulations, or Company policies.
- Failing to report a violation or willfully withholding relevant and material information concerning a violation.
- Retaliating against individuals who report or assist in investigations of suspected violations of applicable laws, regulations, or Company policies.