

COMPLIANCE GUIDELINES FOR DISTRIBUTORS

Victaulic Code of Conduct

Victaulic is committed to conducting lawful and ethical business practices in every country. Victaulic competes on the merit of its products and services in the global marketplace. We ask and expect our Distributors to follow the same principles.

Victaulic's Code of Conduct (the "Code") applies equally across the globe to all of our employees, as well as to our distributors, vendors and suppliers. It is available at www.victaulic.com/code-of-conduct/.

These guidelines summarize a few key principles from the Code of particular importance to Distributors: (1) Anti-Bribery and Anti-Corruption; and (2) Import-Export Trade Compliance.

Anti-Bribery and Anti-Corruption ("ABAC")

Anti-Bribery and Anti-Corruption ("ABAC") laws prohibit payments to government officials given with the purpose of obtaining or maintaining business, as well as commercial bribery and corrupt conduct in the course of doing business. Corruption occurs in many forms, including to give or receive bribes, kickbacks, favors, personal services, excessive discounts, and any gifts or entertainment greater than a modest value. Anything that is given or accepted without an express or implied understanding that the recipients is not in any way obligated may be considered a bribe or corrupt under both U.S. and local ABAC laws.

Because Victaulic operates in many different jurisdictions, these guidelines for distributors are only a snapshot of the requirements applicable to our distributors in regards to ABAC laws and regulations. It is possible that your local ABAC laws contain elements that are not mentioned in these guidelines that may impose even greater and stricter requirements. Distributors are responsible under all legislation, especially local legislation that could apply. Compliance with each of these laws is expected.

ABAC Training

Victaulic and each of its Distributors need to be diligent in training employees on ABAC risks and laws. Employees at all levels can be exposed to ABAC risks based on their job, their customers, or even the nature of the industries in which we operate our businesses. Identifying and understanding the risks is the first step to an effective compliance program. Victaulic has a robust compliance program and processes to control, monitor transactions, prevent, and detect any potential ABAC violations. We expect the same from our distributors. Victaulic is available to assist you in your ABAC training if needed.

ABAC Certification

As part of doing business with Victaulic, we ask that our distributors acknowledge and certify their compliance with both U.S. and your local country's ABAC laws. The ABAC laws in the United States, as well as the laws in your local country are very similar in making corrupt conduct illegal. Victaulic asks that you provide a letter certifying your commitment to ABAC compliance.

Contacting Victaulic

If you have any questions related to Victaulic's ABAC compliance program, or have something to report, do not hesitate to contact us or report it using one of our anonymous reporting tools available at: <https://www.victaulic.ethicspoint.com>.

IMPORT/EXPORT POLICIES COMPLIANCE

Import-Export and Trade Compliance

The U.S. and the European Union place restrictions on the sale and shipment of some products to certain countries, organizations, individuals, or even the means of transporting products on certain vessels. These rules on the import and export of goods and services requires Victaulic as well as its distributors to conduct diligence on where, to whom, how, and why a product is being sold and shipped.

Before a product is shipped, distributors must answer these four questions for each new order:

1. Identify every country involved in the transaction – are any countries on the lists below?
2. Verify all the parties to the transaction – are any countries on restricted or sanctioned lists (see links)
3. Does the product require any licenses, permits, or special permissions to sell and ship?
4. What is the ultimate end-use and who will end-user for the product?

Victaulic and the distributor benefit from identifying and resolving any issues related to these four questions at the very beginning of the process; and will allow for the appropriate screening to be completed and the timely conclusion to be communicated to the customer. These lists change frequently due to world events and political actions. For an up-to date list of these countries and individuals, use the following links.

http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm

<http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

<http://www.bis.doc.gov/index.php/policy-guidance/lists-of-parties-of-concern>

NO SELL LIST:

- Cuba
- Iran
- North Korea
- Russia
- South Sudan
- Syria
- Venezuela

COUNTRIES OF CONCERN:

- Afghanistan
- Balkans
- Belarus
- Bosnia and Herzegovina
- Burma
- Burundi
- Central African Republic
- Croatia
- Cyprus
- Democratic Republic of Congo
- Eritrea
- Egypt
- Guinea
- Guinea-Bissau
- Haiti
- Ivory Coast
- Lebanon
- Liberia
- Libya
- Macedonia
- Moldova
- Montenegro
- Serbia
- Slovenia
- Somalia
- Sudan
- Tunisia
- Ukraine
- Yemen
- Zimbabwe