



POLICIES & PROCEDURES MANUAL

CONFLICT OF INTEREST POLICY

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Spraying Systems Co. believes that all officers, directors, employees, contractors, agents and third parties working on its behalf should perform their daily duties without hidden conflicts of interest that may compromise the business interests of Spraying Systems Co.

Conflicts of interest may arise when an Employee's financial or personal interests potentially or actually interfere, or even appear to interfere, with an Employee's business judgment.

Definitions

As used in this Policy, the following definitions shall apply:

"Conflict of Interest" shall mean any circumstance, potential, actual, or perceived, that might cause an Employee to place his or her financial or personal interests above the interests of the Company, might cause that Employee to be biased in his or her business judgments, decisions and actions, or might cast doubt on whether any decision was made purely on the basis of the Company's interests.

"Employee" shall mean, any officer, director, employee, agent or third-party contractor acting on behalf of the Company.

"Substantial Financial Interest" shall mean any financial interest of an Employee that might influence, or might reasonably be thought by others to influence, the Employee's judgment or action in the conduct of the Company's business. The term expressly includes ownership or the option to own more than three percent (3%) of any company that does business with Spraying Systems Co. or any loan from or to such a company.

No Company officer shall have any position (e.g., employment, Board of Directors appointment, or work as a consultant or advisor) with, or a Substantial Financial Interest in, any other business enterprise, whether or not a possible conflict of interest might result from the position or interest, absent approval by the Executive Chairman and the the Chief Compliance Officer.

No other employees shall have any position (e.g., employment, Board of Directors appointment, or work as a consultant or advisor) with, or a Substantial Financial Interest in, any other business enterprise which is a potential or actual business partner or competitor of Spraying Systems Co. without approval by the office of the Chief Compliance Officer ("CCO").

Employees (other than directors) must disclose any outside position or Substantial Financial Interest that might violate, or be perceived as violating, this prohibition by submitting a Conflict of Interest Disclosure form to the Chief Compliance Officer.





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Conflict of Interest Situations

A conflict of interest might arise in situations where transactions between Spraying Systems Co. and persons, firms or business organizations; personal relationships; an opportunity for personal gain or advantage that is of interest to the Company; personal financial gain or advantage resulting from inside information relating to the Company's business.

Requirements

The Employee must disclose the transaction to the CEO or Dir. HR Immediately upon identifying the potential conflict. The CEO and Dir. HR must then grant written approval in order for the transaction to continue.

Examples:

Personal Financial Benefits: Employees are required to disclose any Substantial Financial Interest, or position such as director, officer, employee, or consultant that either the Employee or an Associate (e.g., spouse or relative) has in any enterprise that partakes in business relations or dealings with Spraying Systems Co.

Benefits to Relatives: Whenever an Employee is involved in a Spraying Systems Co. business transaction that might cause a benefit to a relative of the Employee.

Personal Relationships: Each Employee shall refrain from engaging in decisions in which the Employee has a personal relationship that might cause that Employee to act with bias or against the best interest of Spraying Systems Co.

Corporate Opportunities: Each Employee shall refrain from seeking to take advantage of a corporate business opportunity or enable another person to take advantage of the opportunity when he or she knows, or should reasonably know, that the opportunity would be of interest to Spraying Systems Co.

Inside Information: Inside information is any information obtained by an Employee through his or her employment with the Company that is not available to the public (e.g., internal sales data or proprietary technical information). Each Employee shall refrain from using inside information for his or her personal benefit or in a manner that might cause, or appear to cause, a detriment to the Company. Each Employee shall also refrain from transmitting any inside information to any person other than in connection with his or her official Company responsibilities.





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Gratuities: Each Employee and his or her Associates shall refrain from accepting payments, gifts, entertainment, or other favors that go beyond the common courtesy usually associated with business practice, and might thereby be regarded as placing himself or herself under some obligation to a third party dealing or desiring to deal with the Company. In general, this policy permits Spraying Systems Co. Employees to accept inexpensive and reasonable gifts, travel, and entertainment from business partners (e.g., gifts valued under \$250.00 with manager approval) however, they are strictly prohibited from accepting cash or cash equivalents and from soliciting gratuities in exchange for steering or directing business to another company.

Retaliation

Spraying Systems Co. prohibits retaliation against any employee who makes a good faith report of an alleged violation or participates in an investigation. Suspected retaliation should be reported immediately to Human Resources.

Anyone, regardless of position or title, who the Company determines has engaged in retaliatory conduct for reporting policy violations will be subject to discipline, up to and including termination of employment.

Any reports of violations will be treated as made in good faith throughout the investigation process. Should investigative process determine a report is made in bad faith, the reporting personnel may be subject to disciplinary action, up to and including termination of employment, and may be liable for costs incurred by the Company to complete the investigative process.

