



PSC Metals, Inc.

CODE OF BUSINESS

ETHICS

2006



PSC METALS, INC. is a Company that adheres to the highest ethical standards in dealing with our customers, suppliers, shareholder, government agencies, and our communities as well as our fellow employees.

We are all responsible for maintaining these high standards by, among other things, doing our job in compliance with all applicable laws, properly using company proprietary information and other assets and resources, keeping accurate records and treating others with integrity, respect and honesty.

Our Code of Business Ethics is a guideline for our employees to use and refer to when making business decisions and provides a guide to what is acceptable business behavior.

Benjamin M. Blemker
President & CEO - PSC Metals, Inc.

A DAILY PRACTICE

RESPECTING OUR STANDARDS OF ETHICAL AND BUSINESS CONDUCT

It is essential that we conduct all our operations in accordance with the highest ethical and business standards and that our employees act in compliance with all applicable laws, as well as with our own policies.

This handbook provides an overview of PSC Metals' key ethical and business standards, and is also a reference document to help us answer general questions regarding business ethics and conduct. For more comprehensive details on our policies, our employees should refer to the Company's policies and procedure outlined on the Company's Intranet Site and Employee Handbooks.

No supervisor or manager has the right to require or approve any action by a PSC Metals employee that would violate the law or

our Company's policies. Every employee has the right to be able to perform their duties in a safe, professional, and ethical environment free of discrimination and harassment. If you become aware of a situation that goes against our Code of Business Ethics, it is your responsibility as an employee of our Company to bring the situation to your manager, the Human Resources Department or the Company's legal counsel. As an alternative, you may use the confidential reporting procedure outlined at the end of this handbook.

PSC Metals supports its policies and legal compliance standards on a consistent basis. Our open door policy means you can bring concerns to the attention of management without fear of retribution. No employee will suffer retaliation because of a report they make in good faith. Strict disciplinary action will be taken, up to and including, termination of employment, against individuals who violate this policy, or have knowledge of a violation and do not bring the action to their manager, the Human Resources Department or the Company's legal counsel.

INTEGRITY IN ALL OUR RELATIONSHIPS

As a responsible Company, PSC Metals has an obligation to operate with the highest standards of integrity and to maintain and provide accurate information to our stakeholders regarding our business activities.

Our Employees

PSC Metals values a work environment where employees are encouraged to be creative and productive, take pride in their work, and know that their contribution is vital. We support a positive work atmosphere that encourages teamwork and values diversity. Our supervisors and managers must lead by example, showing employees respect at all times. Learning from each other and respecting each other's views is an essential part of teamwork. **We maintain an open-door policy at all levels throughout the Company** so that employees can feel free to ask questions, express concerns and make a positive contribution.

Our employees are encouraged to:

- **Communicate** openly and honestly;
- **Be supportive** of their colleagues and treat them with respect;
- **Value** teamwork and support our shared goals and objectives; and
- **Promote** an innovative and creative work environment.

Our Customers and Suppliers

Our success is based on building long-term relationships with our consumers, customers and suppliers. Our suppliers are critical to our ability to remain competitive and we will treat them fairly and honestly. Building strong relationships with our customers and suppliers requires maintaining the highest ethical standards. At PSC Metals we will:

- **Meet** or exceed our commitments to our customers and suppliers;
- **Avoid** misrepresentation in all sales and communications; and

- **Work** to promote fair and open competition for our business.

Our Shareholder

PSC Metals has a duty to communicate openly and honestly to our shareholder with the goal to provide an acceptable return on investment. PSC Metals will report financial and operating results that accurately reflect the state of our businesses. We will build shareholder confidence by:

- **Achieving** profitable business growth;
- **Providing** open and timely communication of material information;
- **Demonstrating** a culture of continuous improvement;
- **Protecting** the Company's proprietary and confidential information; and
- **Adhering** to risk management procedures.

Our Industry

Fair competition benefits our customers, our suppliers and our industry. PSC Metals will not condone business practices that could be construed as being anticompetitive, unethical or otherwise contrary to applicable laws. Our expectations of our employees are clear:

- **Do not** make disparaging or defamatory comments about our competitors;
- **Do not** improperly seek competitors trade secrets or other confidential information; and
- **Do not** disclose confidential information regarding the Company's financial performance, operations, proprietary technologies or other activities that could impact our competitive advantage.

Governments

PSC Metals complies with all applicable laws and regulations, and maintains an open and ethical relationship with applicable government agencies. When appropriate, the Company will

provide constructive ideas for changes or improvements to these laws or regulations. PSC Metals will not influence government decisions by unethical means. At PSC Metals:

- **We** will not make false or misleading statements;
- **We** will abide by all laws regarding political donations and will disclose information regarding such donations;
- **We** will require that all political contributions made by the Company be authorized by a member of senior management;
- **We** will not reimburse any employee for their personal political contributions; and
- **We** will follow all applicable federal, state and local environmental laws and conduct our business operations in an environmentally responsible manner.

Health, Safety & Environment (HS&E)

PSC Metals is committed to continuous improvement in our HS&E performance. We strive for an accident-free work environment to protect our employees. Employees must know,

understand and rigorously comply with all applicable safety and environmental laws and regulations, and Company policies. As part of this effort, each employee must:

- **Strive** to achieve “best in class” safety and environmental performance, and fully co-operate with environmental and safety audits;
- **Report** and record all HS&E incidences fairly and accurately;
- **Not** perform duties that would endanger their health and safety or that of other colleagues, or violate environmental regulations;
- **Participate** in training to expand understanding of our safety and environmental objectives and related operating procedures; and
- **Be proactive** and work with their supervisors to alleviate any safety, health and environmental concerns.

Employee Discrimination

PSC Metals is focused on the fair and equal treatment of all of our employees. The Company will not engage in or tolerate any form of discrimination or harassment against any employee as proscribed by law. We are committed to providing equal employment opportunity for all qualified employees and applicants for employment without regard to race, color, creed, religion, sex, age, national origin, veteran status, disability or any other basis of illegal discrimination. Decisions concerning hiring, performance appraisals and promotions are to be based upon factors such as knowledge, qualifications, skills, abilities and achievements. Employees are directed to advise their supervisors or the Human Resources Department if they believe they have been subjected to or have observed any discriminatory or harassing behavior. PSC Metals will investigate such situations promptly and take effective action where warranted and will protect the employee from retaliation or other adverse consequences for having reported the matter in good faith.

Our policy:

- **Requires** that employees are to be considered on the basis of merit in recruiting, hiring, training, promotion and all other terms and conditions of employment;
- **Forbids** discrimination against any employee or applicant for employment because of his or her race, color, creed, national origin, sex, religion, age, veteran status, disability or any other illegal consideration;
- **Prohibits** any form of illegal harassment, including unwelcome sexual advances, or unwelcome and offensive verbal or physical conduct of a sexual nature that creates an intimidating, hostile or offensive work environment or that unreasonably interferes with an employee's work performance;
- **Prohibits** the display of objects or pictures at work (including but not limited to displays via computer) that are sexually explicit, discriminatory, or portray messages that contradict the Company's ethical standards; and

- **Prohibits** jokes, comments, or remarks based on a person's race, color, creed, national origin, sex, religion, age, veteran status, disability, or any other form of discrimination.

Drug Free Workplace

PSC Metals maintains a strong commitment to provide a safe and productive work environment. Employees are expected to perform their duties safely and efficiently in a manner that protects their interests and those of their co-workers. Illicit drug use and excessive alcohol consumption as detailed in the Company's Drug Policy, puts everyone at risk and cannot be tolerated. Consistent with our efforts to promote health and safety and protect the interests of our employees, customers and suppliers, we will not allow anyone to use, possess, distribute, sell, manufacture, purchase, be under the influence of alcohol or illegal drugs, intoxicants, or test positive for controlled substances at any time while conducting company business.

Our employees will:

- **Never** be under the influence of alcohol or have detectable levels of illegal substances in their system while performing Company business or on Company premises;
- **Report** any violation of PSC Metals' substance abuse policy; and
- **Never** sell, trade, or possess any controlled substance on Company owned facilities or while conducting Company business.

Conflicts of Interest

Employees must be free to make decisions with complete objectivity. This freedom is assured when the employee has no personal interest in the outcome of any business decision. A “conflict of interest” is created when an employee places his or her financial self-interest ahead of the company’s interest. Because it would be impossible to list all the types of situations that might give rise to conflict of interest, it is important for all PSC Metals employees to avoid even the appearance of a

conflict in the performance of their responsibilities. Therefore everyone at PSC Metals must:

- **Obtain** approval from management prior to: (1) undertaking any commitment with a potential conflict of interest or the appearance of a conflict, or (2) contracting or providing services for the company in exchange for any payment, except salary, wages or other company approved payments;
- **Never** provide services for or have an ownership in any business entity that competes with PSC Metals. (Other than as a holder of not more than 1% of the issued and outstanding shares of any public corporation);
- **Not use** or permit others to use PSC Metals resources for personal use;
- **Not provide** or accept gifts, from customers or suppliers of more than modest value or entertainment outside the limits of generally accepted business practices. Hospitality accepted by our employees must never create a sense of obligation, regardless of its value;

- **Avoid** situations where you are directly supervising another family member or have financial or operational control over another family member and ensure your supervisor is aware of such situations;
- **Speak** with your supervisor before engaging in any activity that you think may put you in an actual or potential conflict of interest situation; and
- **Report** any violations of conflict of interest procedures to your supervisor or to the Company's Legal counsel.

Company Records

Employees must record all Company transactions and financial information accurately, completely and in a timely manner in accordance with company procedures. Entries which intentionally conceal or disguise the true nature of any PSC Metals transaction are prohibited. Financial information must be kept confidential and only released with proper authorization.

Our policy is clear:

- **Financial** and other business transactions must be recorded in a way that accurately reflects the nature of these transactions;
- **Misappropriation** of funds, no matter how small, is grounds for dismissal;
- **Employee** business expenses are to be incurred only for proper and authorized business purposes and be accurately described in such accounts;
- **Fees**, commissions or other amounts paid to consultants, agents, or other third parties must be legal, proper and reasonable;
- **Immediately report** any inaccurate, false or misleading records to your supervisor; and
- **Employees must not** discuss financial or operating information of a confidential nature outside the scope of carrying out their responsibilities.

Company Property

PSC Metals employees are responsible for protecting PSC Metals owned or leased property and equipment. This extends not only to tangible assets such as money, physical materials and real property, but also to intangible property such as technologies, computer programs, business plans, trade secrets, and other confidential or proprietary information. PSC Metals employees must also safeguard the confidential and proprietary information of customers and suppliers. Precautions must be taken against theft, damage, or misuse of PSC Metals property.

Generally, PSC Metals property must not be used for any purpose other than for PSC Metals business. Employees must not borrow, give away, loan, sell or otherwise dispose of PSC Metals property – regardless of condition – without specific authorization. This includes the unauthorized use or duplication of trademarked or proprietary computer software, except for backup or archive purposes.

Our employees will:

- **Exercise** appropriate care, custody and control of Company property (including supplies, equipment, facilities, files, documents, films and electronically recorded data or images);
- **Use** Company computers and office equipment for limited and appropriate personal purposes during breaks and non-working hours, provided that such use is in accordance with all PSC Metals policies and subject to such other guidelines as may be issued from time to time;
- **Not duplicate** Company proprietary or trademarked software for personal use;
- **Keep** confidential information stored in its proper place when not being used; and
- **Report** any theft or misuse of Company property to your supervisor.

Antitrust and Competition Laws

Antitrust and competition laws are designed to preserve free and open competition in the marketplace. These laws prohibit activities that hinder competition and restrain trade or constitute price fixing. It is the policy of the Company not to take part in any of these kinds of activities. Activities that violate these laws are never in the best interest of the Company and must be avoided at all times. Moreover, all our operations must conduct business in strict compliance with all applicable antitrust and competition laws. There are no exceptions. Employees may not discuss with competitors, among other things, information related to pricing, profit margins, what we pay for scrap and other commodities, or marketing strategies. PSC Metals will not:

- **Fix** prices;
- **Engage** in bid rigging or similar activities;
- **Divide** up or allocate markets; or
- **Boycott** selected customers, suppliers or competitors.

For more information about the Company's policies and obligations with respect to antitrust issues, please refer to the Company's Antitrust Compliance Policy.

Intellectual Property Rights

PSC Metals' policy is to recognize and fully respect the legal rights of others on matters involving the ownership and use of intellectual property. At PSC Metals:

- **We are committed** to complying with the copyright laws of all jurisdictions where we do business;
- **We will not** knowingly appropriate, infringe or make invalid use of a valid trademark, patent, trade secret or propriety technology belonging to another party; and
- **Employees** are not to make use of and distribute copies of materials copyrighted by others unless appropriate authorization has been obtained.

International Operations

Managers and employees of PSC Metals doing business around the world are required to conduct their activities in compliance with the laws of the countries that apply to those activities. In addition, managers and employees whose operations are engaged in international activities need to be aware of, and comply with, certain U.S. and Canadian laws that apply to such activities of PSC Metals. Employees involved in international operations will:

- **Adhere** to applicable government trade restrictions with certain countries;
- **Comply** with all legal regulations regarding the exporting and re-exporting of certain commodities, software and technologies to various countries as specified in those regulations;
- **Be governed** by laws which prohibit the payment of money or lavish gifts to a government official or political party in order to obtain or retain business; and

- **Be governed** by U.S. and Canadian laws prohibiting participation in certain international boycotts.

WHAT TO DO WHEN THERE IS A PROBLEM

The most important thing to remember is that if you have a question or a problem there is assistance available. There are various routes available to help you deal with health, safety and environmental issues, unethical business practices, violation of Company policies, breach of laws, drug or alcohol abuse, sexual harassment or any related matters.

ASK YOU SUPERVISOR. *Our Open Door Policy* means you can bring concerns to the attention of management without fear of retribution. When faced with an ethical issue you are encouraged to express your concerns. Ask your immediate supervisor for assistance and the necessary support to resolve the matter. Every effort will be made to protect your confidentiality.

ASK YOUR HUMAN RESOURCES DEPARTMENT. Our Human Resources Department is there to help employees deal with ethical questions and issues in a professional and constructive manner. If you have a problem, or are aware of a violation of the Company's Code of Business Ethics or policies, you may also seek assistance from the Human Resources Department.

YOU CAN ALSO CALL THE NETWORK. If you don't feel comfortable speaking with your supervisor or Human Resources Department or if anonymity is important, you can use a confidential reporting line. We have contracted with a professional outside agency – **"The Network"** – to provide this service seven days a week, twenty-four hours a day. All your questions or concerns are treated on a strictly confidential basis using only a file number as a reference.

Issues and concerns are brought to the attention of the appropriate PSC Metals management. The agency acts as a go-between to achieve the best possible resolution.

TOLL FREE NETWORK:

“The Network”

1-877-888-0002

24 hours a day – 7 days a week

throughout the United States

Any employee who retaliates against another employee for submitting in good faith a question about a suspected violation will face disciplinary action.