

BUSINESS CONDUCT POLICY

It is the Company's policy that high ethical standards be the cornerstone of all business activities. Employees are expected not only to comply with all laws affecting our business, but also to act with honesty, fairness and integrity. Each Company employee has an individual responsibility to deal at the highest ethical levels with customers and suppliers, fellow employees and the general public. Employees are expected to raise ethical concerns and report any actual or suspected ethical misconduct to their supervisors or any Corporate Officer.

The following is a list of some of the activities that would reflect in a negative way on the employee's personal integrity, or would limit his or her ability to perform job duties and responsibilities in an ethical manner.

Conflict of Interest

A conflict of interest occurs when the personal interest of an employee interferes with his/her judgment and responsibilities as an employee of the Company. Employees are prohibited from placing themselves or the Company in a conflict of interest. Any appearance of a conflict should be avoided where it is likely to adversely affect the reputation or public image of the Company.

All employees, their spouses and other close family members have a duty to avoid business, financial or other relationships that might either conflict with the Company's interests, or compromise the Company. There are potential conflicts of interest in entering into a business or personal arrangement with a competitor, supplier or customer. Each employee is responsible for reporting to a Corporate Officer any such activity in which he or she is engaged. If an employee is ever in doubt as to what might constitute a conflict of interest, the issue should be brought to the attention of their supervisor, department manager or any Corporate Officer for resolution.

Outside Employment

Employees engaged in outside employment during other than regular work hours should ensure that such employment does not create an actual or potential conflict with or compromise their position or relationship with the Company or interfere with the quality of their work.

Bribes

Employees may not, under any circumstances, solicit or accept money, property, services or favors from outside parties as incentives to make or recommend the use of their services in connection with any business transactions affecting the Company.

Gifts from Person(s) Doing Business with the Company

Employees should ordinarily decline gifts, favors, loans or other benefits from existing or potential contacts. The only permissible exception to this policy is

allowed for items of modest value, particularly edible or perishable items, such as food or flowers, which are sometimes given to recognize superior or special service extended to a customer or business contact.

Entertainment & Travel paid for by Customers, Vendors, etc.

Offers of entertainment may be accepted if they are reasonable (e.g., lunch or dinner) and business related. Participation in entertainment or travel valued at above \$100 per person must be approved by, or promptly reported to, the employee's supervisor.

Gifts and Entertainment Extended at Q.E.P.'S Expense

The above must be reasonable in nature, frequency and amount, as well as consistent with accepted business practices. Gifts and entertainment should be authorized and of a limited value so they will not be construed as a bribe, payoff or kickback. No gifts or entertainment whatsoever should be offered to government employees or companies that prohibit such activity.

Use of Company Resources

Company resources, including time, materials, equipment and proprietary information must be used for Company business purposes only. Any personal use, without proper permission from a Corporate Officer, violates this policy. All employee requests for reimbursements from the Company must be legitimate, properly documented and in accordance with policy.

Use of Confidential or Inside Information

Any employee may acquire confidential information concerning the Company or any other party with whom the Company is or may be dealing during his or her normal job activities. The employee must treat this as privileged information and not repeat it to anyone who has not been authorized to receive it. Such confidential or inside information is to be used solely for Company purposes and not as the basis for personal gain.

Environmental Protection

All employees have responsibility for compliance with laws and regulations governing the protection of the environment. Accidental incidents that affect the environment are to be reported immediately.

Reporting Practices

All reporting at all levels throughout the Company must be truthful and factual. All employees are responsible for ensuring the accuracy and reliability of the Company's accounts. It is the policy of the Company that all books and records conform to generally accepted accounting principles and to all applicable laws and regulations. All books and records of the Company must be kept so that they fully and fairly reflect all receipts and

expenditures by the Company. We maintain internal accounting controls and procedures that further define management reporting responsibilities.

Product Integrity

All employees are responsible for ensuring the integrity of the products under their control and for the accuracy of the documentation supporting product integrity. It is Q.E.P.'s policy to never conceal defective work of material, falsify records or make false certifications or claims regarding its products.

Political Activities

Employees who participate in political or civic activities in the community should not allow them to interfere with the proper discharge of Company responsibilities.

Public Policy and "WHISTLE BLOWING"

The Company will not tolerate illegal or unethical activities by Company employees. Toward that end, we encourage you to report suspected violations of law, rules or regulations to the Company or, where appropriate, to third parties. The Company will not retaliate against any employee who complains in good faith, either internally or externally, about any alleged violation of any law, rule or regulation by the Company.