



CODE OF BUSINESS CONDUCT & ETHICS

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PUTTING THE CODE OF BUSINESS CONDUCT AND ETHICS TO WORK

About the Code of Business Conduct and Ethics

At Pinnacle Systems we are committed to the highest standards of business conduct in our relationships with each other and with our users, customers and suppliers, shareholders and others. This requires that we conduct our business in accordance with all applicable laws and regulations and in accordance with the highest standards of business ethics. Pinnacle's Code of Business Conduct and Ethics (referred to within this document as the “**Code**”) helps each of us by providing a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. Some of the topics touched upon here are also embodied in the various employee handbooks, guidelines and employment agreements that exist at each of our office locations. We encourage you to review these local guidelines and handbooks.

This Code applies to all personnel, which includes every Pinnacle officer, director, employee, intern and contractor in all of our US domestic and international offices, subsidiaries and affiliates. For purposes of this Code, all such personnel are referred to as “**employees.**” You must also abide by applicable law in the country where you are located. In some instances, there may be a conflict between the applicable laws of two or more countries, states or provinces. If you encounter such a conflict, or if a local law conflicts with a policy set forth in this Code, you should consult with the Compliance Officer or your local Human Resources contact to determine the appropriate course of action.

Each of us is responsible for knowing and understanding the policies and guidelines contained in the following pages and we must all sign an acknowledgement which is contained in Section V of this document. If you have questions, ask them; if you have ethical concerns, raise them. Your primary contact for such questions or any other matters regarding this Code should be addressed to the Compliance Officer (the individual performing this role is listed in Appendix A). The Compliance Officer is responsible for overseeing and monitoring compliance with this Code of Conduct.

This Code is intended to provide each of you with the guidance to make appropriate decisions when you are in doubt about the best course of action or when faced with ethical issues. It is designed to, among other things, deter wrongdoing and to promote ethical behavior. To this end, both as a company and as individuals, we should:

- Understand and comply with the Pinnacle Code of Business Conduct and Ethics.
- Understand and behave in accordance with other Pinnacle policies, guidelines and procedures.
- Promote full, fair, accurate and timely disclosures of matters relating to Pinnacle’s business.
- Engage in honest and ethical conduct.
- Not put our own interests ahead of Pinnacle's when performing our jobs.
- Comply with all applicable governmental laws, rules and regulations.

- Report actual or suspected unethical or unlawful conduct, to your supervisor or the Compliance Officer.

I. RESPONSIBILITY TO OUR ORGANIZATION

Pinnacle employees are expected to dedicate their best efforts to Pinnacle business and to make decisions that affect Pinnacle using objective and independent standards.

1. Financial Integrity, Disclosure of Financial Information and Related Processes

Financial Integrity

As a public company, Pinnacle, through its employees, directors and officers, has a responsibility to provide full, fair, accurate, timely and understandable disclosures of its business and financial condition in the reports and documents we file with, or submit to, the United States Securities and Exchange Commission and in all other public communications made by Pinnacle. Due to the broad reliance placed on this financial information, the integrity of such information is of the utmost importance.

Maintaining and Managing Books and Records

Pinnacle is required, by law, to make full, fair, accurate and timely and understandable disclosure of its financial position and to adopt and follow a system of appropriate internal controls

It is Pinnacle's policy to maintain books, records and accounts in reasonable detail to accurately reflect all of Pinnacle's transactions. Documents and other supporting paperwork for all transactions must be retained in line with Pinnacle's document retention guidelines contained within this Code. Pinnacle maintains a worldwide system of internal controls sufficient to reinforce policy compliance and to ensure accurate and timely financial information.

You are responsible for following Pinnacle's procedures for carrying out and reporting business transactions and obtaining the appropriate authorization from management for those transactions. You shall not knowingly fail to follow a system of appropriate internal controls or create a false or misleading report or record. You must never make a payment or establish an account on behalf of Pinnacle with the understanding that any part of the payment or account is to be used for a purpose other than as described by the supporting documents. Proper record keeping is essential to enable Pinnacle and its officers to comply with their disclosure obligations in the Company's SEC filings and in other public documents.

Above all, you must provide information that is accurate, complete, objective, relevant, timely and understandable, act in good faith, responsibly, with due care, competence and diligence without misrepresenting or omitting material facts. You must also maintain appropriate controls over all Pinnacle assets and resources that you use. You must not take any action to fraudulently influence a public accountant who is performing an audit or review of Pinnacle's financial statements. You must not take any action that could result in making Pinnacle financial statements misleading.

Disclosure of Material Information

Pinnacle is required, by law, to disclose to the public in a timely manner, all material transactions that arise in Pinnacle's business

We are required to maintain disclosure controls and procedures designed to ensure that material information about Pinnacle is made known to the CEO and CFO and that, if required, the information be publicly disclosed. In order to assist in this process, Pinnacle has formed a Disclosure Committee to consider the materiality of information and determine disclosure obligations. The Disclosure Committee reports to the CEO and CFO. Members of the Disclosure Committee are detailed in Appendix A.

Information is considered “**material**” if (a) there is a substantial likelihood that a reasonable investor would find the information important in determining whether to trade in a security; or (b) the information, if made public, likely would affect the market price of a company's securities. Examples of information that may be material include, among other things:

- Significant changes in management and other staffing;
- Significant litigation, whether actual or threatened;
- Merger, acquisition, and joint venture negotiations, as well as execution of such agreements;
- Negotiations regarding agreements not made in the ordinary course of business, as well as execution of such agreements.

As part of our disclosure processes certain employees and officers will be asked to certify as to the completeness and accuracy of information in their area. This is to help ensure that all agreements with customers, suppliers and other partners are fully disclosed and any related financial data is able to be accurately reported in our financial statements. Under no circumstances should any Pinnacle employee or agent make promises or other side agreements with Pinnacle trading partners that will not be reflected in our financial statements.

Whistleblower Policy

You should report any improper or questionable transactions that result in any materially deficient or inaccurate financial reporting.

If you become aware of or suspect any improper or questionable transaction, accounting or auditing practice or matters within Pinnacle, or if you believe the internal accounting controls to be deficient or improper or that they do not provide full, fair, accurate, timely or understandable disclosures in its financial statements you should report the matter immediately via Pinnacle's Whistleblower reporting mechanism. The Whistleblower policy has been established by the Audit Committee of the Board of Directors and is available via our Intranet at <http://intra.pcle.com/>

Any reporting via the Whistleblower mechanism can, at your choice, be made anonymously. In any event there will be no retaliation, harassment or discrimination against any person who, in good faith, shares such information.

Compliance with Pinnacle's Signatory Approval Policy

Pinnacle employees must comply with Pinnacle's signatory approval policy.

You may not enter into any contract or commit Pinnacle resources unless you are authorized to do so under this policy. Any employee acting in violation of this policy shall have no authority to bind Pinnacle. Adherence to this policy also helps us comply with our public disclosure obligations. A copy of this policy can be found on our Intranet at <http://intra.pcle.com/>

2. Conflicts of Interest

You, or any person related to you, is prohibited from participating in any transaction or activity in which you or such related person has a personal interest or which otherwise would give the appearance of a conflict of interest. Contact the legal department or the Compliance Office if you think you may be in a position where your personal interests conflict with the interests of Pinnacle.

“Related persons” include any individual living in the same household with a Pinnacle employee or director, including a spouse, children, parents, significant others and other relations.

A conflict of interest occurs when your private interests interfere in any way with the interests of Pinnacle. An actual or potential conflict can arise when your actions or interests are divided between Pinnacle and those of another, such as a competitor, supplier or customer. The Compliance Officer or your manager can help you identify whether the other party is a competitor, supplier or customer of Pinnacle. A conflict exists when it is difficult for you to perform your work for Pinnacle objectively and effectively. Your obligation to conduct Pinnacle's business in an honest and ethical manner includes the ethical handling of actual or apparent conflicts of interest between personal and business relationships.

In addition to actual conflicts, even circumstances that create the appearance of a conflict can be harmful. The following guidelines have been developed to help you avoid any activity, agreement, business investment, or interest that could be in conflict with Pinnacle's interests. Although we cannot list every conceivable conflict, the following are some common examples that illustrate actual or apparent conflicts of interest:

Related Persons Working for a Competitor, Supplier or Customer

You are required to take special precautions when a person related to you is a significant shareholder of or is working for a Pinnacle competitor, supplier or customer to ensure that Pinnacle's confidential information and intellectual property is not compromised. If a related person to you works for a competitor, supplier or customer, or is otherwise a significant shareholder, you must disclose this relationship to the Compliance Officer.

You may find yourself in a situation where a related person is an employee or significant shareholder of a competitor, supplier or customer of Pinnacle. Such situations are not prohibited, but they call for extra sensitivity to security, confidentiality and conflicts of interest.

Many factors are required to be considered in determining whether this situation raises a conflict, including: size and nature of the investment; your ability to influence Pinnacle's business decisions; your access to Pinnacle's confidential information or that of the other company; and the nature of the relationship between Pinnacle and the other company. Such a situation, however harmless it may appear

to you, could arouse suspicions among your associates that might affect your working relationships. The very appearance of a conflict of interest can create problems, regardless of the propriety of your behavior.

To remove any such doubts or suspicions, you must disclose your specific situation to the Compliance Officer to assess the nature and extent of any concern and how it can be addressed. Executive officers and members of the Board must disclose the situation to the Audit Committee of the Board of Directors so that Pinnacle may assess the nature and extent of any concern and how it can be addressed.

Improper Personal Benefits

You may not accept any benefits from Pinnacle that have not been duly authorized and approved pursuant to Pinnacle's policies and procedures, including any loans or guarantees of your personal obligations. In that regard, United States federal law generally prohibits Pinnacle from making personal loans to its directors and executive officers.

Financial Interests in Other Businesses

Without prior written approval of the Compliance Officer neither you nor your related persons may own an interest in a company that competes with Pinnacle (except for, in the case of related persons, ordinary course compensatory stock or equity plans for related persons who may be employed by a Pinnacle competitor). Executive officers and members of the Board must obtain the written approval of the Audit Committee of the Board before making any such investments.

If you or a related person is considering investing in a Pinnacle customer, supplier, developer or competitor, you must first take great care to ensure that these investments do not compromise your responsibilities to Pinnacle. Many factors are required to be considered in determining whether a conflict exists, including: size and nature of the investment; your ability to influence Pinnacle's business decisions; your access to Pinnacle's confidential information or that of the other company; and the nature of the relationship between Pinnacle and the other company.

However, it is not typically considered a conflict of interest (and therefore, prior approval is not required) to make or hold investments in mutual funds or similar passive vehicles that may hold securities of competitors or suppliers or to make or hold investments of less than 1% of the outstanding securities of competitors, customers or suppliers that are listed on a national or international securities exchange.

Business Arrangements with Pinnacle

Without prior written approval from the Chief Executive Officer, you may not participate in a joint venture, partnership or other business arrangement with Pinnacle. Executive officers and members of the Board must obtain the prior written approval of the Audit Committee of the Board of Directors before participating in such an arrangement.

Outside Employment or Activities with a Competitor

Simultaneous employment, association or activity (including in any consulting, advisory, volunteer or other capacity) with or serving as a director of a competitor of Pinnacle is strictly prohibited.

While employed by Pinnacle you may not market products or services in competition with Pinnacle's current or potential business activities. It is your responsibility to consult with the Compliance Officer to determine whether a planned activity will compete with any of Pinnacle's business activities before you pursue the activity in question.

We recognize that directors may serve as directors and officers of other companies that are in Pinnacle's business or that invest in or otherwise transact business with companies that do business with Pinnacle. Nothing herein is intended to, and will not, (1) abrogate the duties that such directors may have to such other companies or (2) otherwise restrict such directors or such other companies from engaging in their businesses.

Outside Employment with a Customer or Supplier

Outside employment with a customer or supplier may be permitted in certain circumstances. You must obtain prior written approval from the Compliance Officer, before accepting outside employment or association with a Pinnacle customer or supplier (including in any consulting, advisory, volunteer or other capacity) or serving as a director of or representing a customer or supplier of Pinnacle. (Executive officers and members of the Board must obtain the prior written approval of the Audit Committee of the Board of Directors before participating in such an arrangement.)

Pre-Existing Conflicts

You must immediately disclose any pre-existing conflicts of interest to the Compliance Officer.

Actual or potential conflicts of interest that pre-date the dissemination of this Code must be disclosed to the Compliance Officer or the Chairman of the Audit Committee of the Board of Directors, as appropriate, within one (1) month of receipt of this Code. You may use the Acknowledgement Form that appears at the end of the Code for this disclosure.

3. Corporate Opportunities

You may not take personal advantage of business opportunities which arise in the course of your employment with Pinnacle when such opportunities could potentially benefit Pinnacle. You have a duty to advance Pinnacle's legitimate interests when the opportunity to do so arises.

As employees, officers and directors of Pinnacle, we owe a duty to Pinnacle to advance its legitimate interests when the opportunity to do so arises. If you learn of a business or an investment opportunity through the use of corporate property or information or through your position at Pinnacle, such as from a competitor or actual or potential customer, supplier or business associate of Pinnacle, you may not participate in the opportunity or make the investment without making full disclosure to and by obtaining the prior written approval of the Compliance Officer. Such an opportunity should be considered an investment opportunity for Pinnacle in the first instance. (Directors must present corporate opportunities to and obtain the approval of a majority of the disinterested members of the Board of Directors.)

We recognize that directors may serve as directors and officers of other companies that are in Pinnacle's business or that invest in or otherwise transact business with companies in Pinnacle's business, and nothing herein is intended to, and will not (1) abrogate the duties that such directors may have to such other companies or (2) otherwise restrict such directors or such other companies from participating in any opportunity that is not a corporate opportunity of Pinnacle.

4. Entertainment, Gifts and Gratuities

Giving or receiving any payment or gift in the nature of a bribe or kickback is absolutely prohibited.

When you are involved in making business decisions on behalf of Pinnacle, your decisions must be based on uncompromised, independent judgment. Employees and directors interacting with any person who has business dealings with Pinnacle (including suppliers, customers, competitors, contractors and consultants) must conduct such activities in the best interest of Pinnacle, using consistent and unbiased standards.

Receipt of Gifts and Entertainment

You are prohibited from receiving any monetary gifts, or gifts or entertainment excessive in value.

You must never request or ask for gifts, entertainment or any other business courtesies from people doing business with Pinnacle. Unsolicited gifts and business courtesies, including meals and entertainment, are permissible if they are customary and commonly accepted business courtesies; not excessive in value; and given and accepted without an express or implied understanding that you are in any way obligated by your acceptance of the gift. Gifts that are extravagant in value or unusual in nature should not be accepted without the written approval of your supervisor or the Compliance Officer. If you are in doubt whether a gift is of an extravagant or unusual nature then consult the Compliance Officer for clarification prior to accepting the gift.

Gifts of cash or cash equivalents (including gift certificates, securities, below-market loans, etc.) in any amount are prohibited and must be returned promptly to the donor.

Offering Gifts and Entertainment

When you are providing a gift, entertainment or other accommodation in connection with Pinnacle business, you must do so in a manner that is in good taste and without excessive expense. You may not furnish or offer to furnish any gift that is of more than token value or that goes beyond the common courtesies associated with accepted business practices. You should follow the above guidelines for receiving gifts in determining when it is appropriate to give gifts and when prior written approval from your supervisor or the Compliance Officer is required.

5. Business Communications

All business records and communications should be clear, truthful and accurate.

Business records and communications may become public through litigation, government investigations and the media. Pinnacle employees should take care to avoid exaggeration, speculation, legal conclusions and derogatory remarks or characterizations of people and other companies. Records should always be retained and destroyed according to Pinnacle's record retention policies as discussed below and as may be adopted in the future.

6. Record Retention

All employees must comply with Pinnacle's record retention policy.

In the course of its business, Pinnacle produces and receives large numbers of documents. Numerous laws require the retention of certain Pinnacle documents for various periods of time. Pinnacle is committed to compliance with all applicable laws and regulations relating to the preservation of records. Pinnacle's policy is to identify, maintain, safeguard and destroy or retain all records in Pinnacle's possession on a systematic and regular basis. Under no circumstances are Pinnacle records to be destroyed selectively or to be maintained outside Pinnacle premises or designated storage facilities, except for instances where Pinnacle records may be temporarily brought home by employees working from home in accordance with approvals from their supervisors or applicable policies about working from home or other remote locations.

Whenever it becomes apparent that documents will be required in connection with a legal claim or action, a governmental or administrative investigation or proceeding, Pinnacle's Legal Department will notify employees that Pinnacle's record retention practices have been placed on hold. In such case, you must retain and preserve ALL records that may be responsive to the subpoena or relevant to the litigation or that may pertain to the investigation until you are advised by the Legal Department as to how to proceed. You must not destroy or alter any such records in your possession or control. You must also affirmatively preserve from destruction all relevant records that without intervention would automatically be destroyed or erased (such as e-mails and voicemail messages). Destruction of such records, even if inadvertent, could seriously prejudice Pinnacle. The suspension of record retention practices remains effective until it is officially released in writing by the Legal Department. If you have any questions regarding whether a particular record pertains to a pending or contemplated investigation or litigation or may be responsive to a subpoena or regarding how to preserve particular types of records, you should preserve the records in question and ask the Legal Department for advice.

7. Confidential Information

You must not disclose any confidential information of Pinnacle or the confidential information of companies we do business with.

Pinnacle's confidential information is a valuable asset, and most all employees learn facts about Pinnacle's business, plans, operations or technology that are not known publicly or to competitors. Pinnacle's confidential information or trade secrets include product specifications and architecture; source code; marketing or strategic plans; product road maps; information about customers and dealers (including the terms offered or prices charged to particular customers); organizational charts; compensation information; and financial information. The easiest way to identify confidential information is: **any** non-public information that could be useful to Pinnacle's competitors or harmful to Pinnacle or its customers, if disclosed. During the course of performing your responsibilities, you may also receive confidential information concerning other companies, such as our customers and suppliers, and Pinnacle may be under an obligation to maintain that information as confidential.

You are responsible for maintaining the confidentiality of information provided to you by Pinnacle or its customers or business partners, except when disclosure is authorized or legally mandated as required by the proprietary agreement you signed when joining Pinnacle. Employees and directors who possess or have access to confidential information or trade secrets must:

- Not use the information for their own benefit or the benefit of any other persons.
- Guard against disclosure of that information to people outside Pinnacle. You should not discuss such matters with family members or business or social acquaintances or in

places where the information may be overheard, such as airplanes, taxis, public transportation, conferences, elevators or restaurants.

- Not disclose confidential information to another Pinnacle employee unless the employee needs the information to carry out business responsibilities.

Confidentiality Agreements or *Non-Disclosure Agreements* are often used when Pinnacle chooses to disclose confidential information to suppliers, consultants, joint venture participants, or others. A Confidentiality Agreement requires that the person receiving confidential information maintain the secrecy of such information. If, in doing business with persons not employed by Pinnacle, you foresee that you may need to disclose confidential information, you should call the Legal Department and request that Pinnacle enter into a Confidentiality Agreement. You must not sign another party's nondisclosure agreement or accept changes to Pinnacle's standard nondisclosure agreement without review and approval by the Legal Department.

Pinnacle and its employees must cooperate with governmental entities and respond to appropriate inquiries and investigations. In this context, however, Pinnacle must ensure that its confidential information is protected to the extent possible. All government requests for information, documents, or interviews must be referred to the Legal Department, and no financial information may be disclosed without prior approval of the Chief Financial Officer.

Employee's Continuing Obligations

Your obligation to treat information as confidential does not end when you leave Pinnacle. When you joined Pinnacle, you signed an agreement to protect and hold confidential Pinnacle's proprietary information. This agreement remains in effect for as long as you work for Pinnacle and after you leave Pinnacle. Upon the termination of your employment, you must return everything that belongs to Pinnacle, including all documents and other materials containing Pinnacle and customer confidential information. You must not use the confidential information you obtained at Pinnacle or disclose confidential information to a new employer or to others after ceasing to be a Pinnacle employee.

8. Copyrights and Other Intellectual Property

Copyright Compliance

You are prohibited by Copyright Law from making copies or derivative works of written materials and computer software that is copyrighted. When making copies of such materials, you must ensure that you have proper authority to do so.

Pinnacle licenses the use of much of its computer software from other companies. In most instances, this computer software is protected by copyright. All software must be appropriately licensed. Never make or use unauthorized copies because doing so may constitute copyright infringement. Pinnacle's IT Department will inspect Pinnacle computers to verify that only licensed software has been installed. Any non-licensed software will be removed.

To help employees do their jobs, Pinnacle subscribes to many publications, such as newsletters, reference works, online reference services, magazines, and books. Many of these works are covered by copyrights laws. It is a violation of those laws and of Pinnacle's policies to make unauthorized copies of or derivative works based upon copyrighted materials. The absence of a copyright notice does not

necessarily mean that the materials are not copyrighted. When in doubt about whether you may copy a publication, you must consult the Legal Department.

Intellectual Property Rights of Others

You must not use the names, trademarks, logos and other intellectual property of other companies unless authorized in writing by such other company.

It is Pinnacle policy not to infringe upon the intellectual property rights of others. When using the name, trademarks, logos, materials or software of another company, you must do so in accordance with applicable law.

9. Protecting Pinnacle's Assets

Employees are responsible for using Pinnacle resources and property primarily for Pinnacle's business purposes and not for personal benefit.

Physical Access

You must abide by Pinnacle's security policy and building security standards and take every precaution to prevent damage to, theft or misuse of Pinnacle's property.

We each have a duty to protect Pinnacle's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on Pinnacle's profitability. We should take measures to prevent damage to, theft of or general misuse of Pinnacle property (including time, materials, equipment and proprietary information). Upon termination of employment with Pinnacle, all Pinnacle property must be returned to Pinnacle. Incidental and occasional personal use of Pinnacle's electronic mail and telephone systems is permitted. For more detailed guidance please refer to Pinnacle's Security Policies and Handbooks that have either been given or will be given to you and/or are located on the Pinnacle Intranet at <http://intra.pcle.com/>

Pinnacle has, and will continue to develop, procedures for physical access control to ensure privacy of communications, maintain the security of Pinnacle's communication equipment, and safeguard Pinnacle's assets from theft, misuse, and destruction. You are personally responsible for complying with the level of access control that may be implemented in the facility where you are working.

Pinnacle Funds and Expense Reports

Every employee is responsible for all Pinnacle funds over which he or she exercises control. Pinnacle's funds are to be used for Pinnacle's business purposes only, and every expenditure, including expense reports, must be supported by accurate records which are submitted in a timely fashion.

Computers, Other Resources and Security

You must abide by Pinnacle's security policy and take every precaution to prevent damage to, theft or misuse of Pinnacle's property.

Pinnacle's computer and communication resources, including computers, voicemail and e-mail, provide substantial benefits, but they also present significant security and liability risks. You must take all

necessary measures to secure your computer and any computer or voicemail passwords. If you have any reason to believe that your password or the security of a Pinnacle computer or communication resource has in any manner been compromised, you must change your password immediately and report the incident to your local IS Department.

When you are using Pinnacle resources to send e-mail, voicemail or to access Internet services, you are acting as a representative of Pinnacle. Any improper use of these resources may reflect poorly on Pinnacle, damage its reputation, and expose you and Pinnacle to legal liability.

All computing resources throughout the organization are the property of Pinnacle and are intended for use by Pinnacle employees to conduct Pinnacle's business. To the extent permitted by law, all e-mail, voicemail and personal files stored on Pinnacle computers are Pinnacle property and Pinnacle in its sole discretion, may review any files or communications (including e-mail and voicemail messages). Incidental and occasional personal use of computer equipment is permitted.

You should not use Pinnacle resources in a way that may be unlawful, wasteful, disruptive or offensive to others and further guidance is available in our Security Policy. When you send e-mail or transmit any other message or file, you should not transmit comments, language, images or other files that could be an embarrassment either to you or to Pinnacle. Remember that your "private" e-mail messages are easily forwarded to a wide audience. Be mindful that jokes or comments made in jest may be misinterpreted or cast in a harsh light when they are viewed by others. In addition, do not use these resources in a wasteful manner. Unnecessarily transmitting messages and other files wastes not only computer resources, but also the time and effort of each employee having to sort and read through his or her own e-mail. If you have concerns about the way an e-mail might be interpreted by the recipient, consider whether a telephone call or face to face conversation would be preferable.

Pinnacle prohibits the use of electronic media for the purpose of creating, receiving, sending or storing data that may reasonably be considered to be offensive, defamatory, obscene or harassing. Such data includes, but is not limited to, sexual images and comments, racial and gender-based slurs or anything that would reasonably be expected to offend someone based on their disability, age, religion, marital status, sexual orientation, political beliefs, national origin, or culture or any other legally protected basis.

Employees and directors should not have any expectation of privacy with respect to information transmitted over, received by, or stored in any electronic communications device owned, leased, or operated in whole or in part by or on behalf of Pinnacle and its subsidiaries. To the extent permitted by applicable law, Pinnacle retains the right to monitor, log and access any such information at any time, either with or without an employee's or third party's knowledge, consent or approval.

Use of computer and communication resources must be consistent with all other Pinnacle policies, including those relating to harassment, privacy, copyright, trademark, trade secret, and data security.

10. Insider Trading

You are prohibited by U.S. securities laws from trading in Pinnacle securities (or the securities of another company doing business with Pinnacle), or otherwise tipping others to trade in Pinnacle securities, when you have access to "material" inside information, or when Pinnacle has imposed a blackout period.

Obligations under United States securities laws apply to all employees worldwide. In the normal course of business, you may come into possession of sensitive material information about Pinnacle (or another company with which Pinnacle has a relationship). Material non-public information is any information that has not been disclosed to the public and would be material to a decision by an investor to buy, sell, or hold securities of Pinnacle. Inside information may include financial information (such as company earnings information, liquidity problems, or changed projections); operating developments (such as new product developments, changes in business operations, or large increases or decreases in orders); and proposed business activities (such as proposed or agreed mergers, acquisitions, divestitures, major investments, or restructurings).

All of this information is the property of Pinnacle. You are prohibited by Pinnacle policy and the law from buying or selling securities of Pinnacle at a time when in possession of such information. This conduct is known as "insider trading." Passing such information on to someone who may buy or sell securities is also prohibited and illegal. The prohibition applies to Pinnacle securities and to securities of other companies if you learn material nonpublic information about other companies, such as Pinnacle's business partners or customers, in the course of your duties for Pinnacle. A copy of the Pinnacle Insider Trading Compliance Program may be found on our Intranet at <http://intra.pcle.com/>

Insider trading is a crime, penalized by fines of up to \$5,000,000 and twenty years in prison for individuals. Civil penalties include a fine of up to three times the profits made (or losses avoided) from the trading, disgorgement of any profits made, injunctions against future violations, and private lawsuits.

Employers and other controlling persons (including supervisory personnel) are also at risk under U.S. securities laws. They may face penalties of the greater of \$5,000,000 or three times the profits made or losses avoided by the trader if they recklessly fail to take preventive steps to control insider trading. This means that Pinnacle could be punished for illegal trading behavior by its employee or other individuals.

Because of these risks, it is imperative that every employee abide by the securities laws. Insider trading rules are strictly enforced, even in instances where the financial transactions seem small. You should contact the Chief Financial Officer or the Legal Department if you are unsure as to whether or not you are free to trade.

Pinnacle imposes trading blackout periods on all employees and members of the Board of Directors. These persons generally may not trade in Pinnacle securities during the blackout period. For more details, you should review our Insider Trading Compliance Program, which is available on our Intranet.

11. Prohibition Against Short Selling of Pinnacle Stock

No director or employee may engage in short sales of Pinnacle securities.

No director or employee may engage in short sales of Pinnacle securities. A short sale, as defined in this policy, means any transaction whereby one may benefit from a decline in the Pinnacle's stock price. No director or employee may, directly or indirectly, sell any equity security, including derivatives, of Pinnacle if he or she (1) does not own the security sold, or (2) if he or she owns the security, does not deliver it against such sale (a "short sale against the box") within twenty days thereafter, or does not deposit it in the mails or other usual channels of transportation within five days after such sale.

12. Responding to Inquiries from the Press and Others

Our Chief Executive Officer has designated specific employees to communicate with the news media on matters regarding Pinnacle or its affiliates. Pinnacle employees may not speak with the press, groups or organizations as a Pinnacle representative or about Pinnacle's business unless specifically authorized to do so by the Public Relations Department or, in the case of speaking to the financial community, securities analysts or shareholders, by the Chief Financial Officer.

II. RELATIONSHIPS WITH OUR CUSTOMERS AND SUPPLIERS

1. Free Competition and Fair Dealing

Pinnacle depends on its reputation for quality, service and integrity. The way we deal with our customers, competitors and suppliers has a direct impact on our success. You should endeavor to deal fairly with Pinnacle's customers, suppliers, competitors and employees and should never take unfair advantage of others through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

Competition and Antitrust Laws

You must act in a fair, honest and ethical manner when conducting business with distributors, resellers, dealers and customers, and must comply with all applicable antitrust and competition laws.

Pinnacle competes vigorously in all of its business activities, but its efforts in the marketplace must be conducted in accordance with applicable antitrust and competition laws. Pinnacle is committed to obeying both the letter and spirit of these laws. The consequences of not doing so can be severe for all of us. If you are or become engaged in activities similar to those identified in this Code or are concerned about any of these issues, you should consult the Legal Department for further guidance.

These laws often regulate Pinnacle's relationships with its distributors, resellers, dealers, and customers. Competition laws generally address the following areas: pricing practices (including price discrimination), discounting, terms of sale, credit terms, promotional allowances, secret rebates, exclusive dealerships, or distributorships, product bundling, restrictions on carrying competing products, and termination of a business relationship.

While Pinnacle will compete in whatever markets we enter, we will do so fairly, honestly, ethically, and legally. Pinnacle will not use advertisements or messages that are misleading in their presentation of either Pinnacle's or our competitors' products. In addition, Pinnacle will not unfairly disparage other companies' products.

Conspiracies and Collaborations Among Competitors

You must not enter into an express or implied agreement or understanding - written or oral - with any competitor concerning prices, discounts, other terms or conditions of sale, profits, profit margins, costs, division of product markets or territories, allocation of customers, limits on production, boycotts of customers or suppliers, or potential or actual bids. You must not force, coerce, or reach any agreement with any reseller about the prices at which Pinnacle's products will be resold.

Competition laws also govern relationships between competitors. Some of the most serious antitrust offenses are agreements between competitors that limit independent judgment and restrain trade, such as agreements to fix prices, restrict output or control the quality of products, or to divide a market for customers, territories, products or purchases. You should not discuss these topics with any competitor or come to an agreement with any competitor on any of these topics, as these agreements are virtually always unlawful.

Unlawful agreements need not take the form of a written contract or even express commitments or mutual assurances. Sometimes informal discussions, e-mail, or the mere exchange between competitors of information from which pricing or other unlawful agreement could result is enough to support an inference of an unlawful agreement. You should take care to avoid involving yourself in situations from which an unlawful agreement could be inferred.

All joint ventures with competitors are not illegal under applicable antitrust and competition laws, but they do present potential antitrust concerns. The Legal Department should be consulted before negotiating or entering into any such venture.

2. Gathering Information About Pinnacle Competitors

You must not use illegal means to gather information about Pinnacle's competitors, including trade secrets and proprietary information, and you must not coerce any third party to breach its obligations of confidentiality to a competitor.

In order to compete, Pinnacle gathers information about our marketplace, including information about our competitors and their products and services. Pinnacle will always gather such information fairly and lawfully. You should abide by the following guidelines:

- We may gather information about our competitors from sources such as published articles, advertisements, brochures, other non-proprietary materials, surveys by consultants and conversations with our customers, but you should never attempt to gather information in breach of a customer's nondisclosure agreement with a competitor or through other wrongful means.
- We must never attempt to acquire a competitor's trade secrets or other proprietary information through unlawful means, such as theft, spying, bribery or breach of a competitor's nondisclosure agreement. If you were previously employed by a Pinnacle competitor, you must be particularly sensitive to respecting your confidentiality obligations to your former employer.
- If there is any indication that information that you obtain was not lawfully received by the party in possession, you should refuse to accept it. If you receive any competitive information anonymously or that is marked confidential, you should not review it and should contact the Legal Department immediately.

3. Relationships with Our Customers

You must act in manner which creates goodwill and trust between Pinnacle and its customers or potential customers in order to preserve and enhance Pinnacle's reputation.

If your job puts you in contact with any Pinnacle customers or potential customers, it is critical for you to remember that you represent Pinnacle to the people with whom you are dealing. Act in a manner that creates value for our customers and helps to build a relationship based upon trust. Pinnacle and its employees have provided products and services for many years and have built up significant good will over that time. This goodwill is one of our most important assets, and Pinnacle employees and representatives must act to preserve and enhance our reputation.

4. Export Controls

You must not ship products, software or technical information, or otherwise have such products, software or technical information duplicated abroad, to and from countries which have imposed export restrictions.

A number of countries maintain controls on the destinations to which products or software may be exported. Some of the strictest export controls are maintained by the U.S. against which the U.S. Government considers unfriendly or as supporting international terrorism. The U.S. regulations are complex and apply both to exports from the U.S. and to exports of products from other countries, when those products contain components or technology of U.S. origin. Software created in the U.S. is subject to these regulations even if duplicated and packaged abroad. In some circumstances, an oral presentation containing technical data made to foreign nationals in the U.S. may constitute a controlled export. The Legal Department and our Finance Department can provide you with guidance on which countries are prohibited destinations for Pinnacle products or whether a proposed technical presentation to foreign nationals may require a U.S. Government license.

5. Relationships with Our Suppliers

You must abide by Pinnacle's vendor qualification process and procedures when selecting significant suppliers.

Pinnacle's policy is to purchase supplies based on need, quality, service, price and terms and conditions. Pinnacle has a rigorous vendor qualification process and procedures which should be strictly adhered to when selecting significant suppliers or entering into significant supplier agreements. In selecting suppliers we do not discriminate on the basis of race, color, religion, sex, national origin, age, sexual preference, marital status, medical condition, veteran status, physical or mental disability, or any other characteristic protected by federal, state or local law.

A supplier to Pinnacle is generally free to sell its products or services to any other party, including Pinnacle competitors. In some cases where the products or services have been designed, fabricated, or developed to Pinnacle specifications, the agreement between the parties may contain restrictions on sales.

III. RESPONSIBILITY TO OUR PEOPLE

1. Respecting One Another

The way we treat each other and our work environment affects the way we do our jobs. All employees want and deserve a workplace where they are respected and appreciated. Everyone who works for

Pinnacle must contribute to the creation and maintenance of such an environment, and supervisors and managers have a special responsibility to foster a workplace that supports honesty, integrity, respect and trust.

2. Employee Privacy

Employees who are responsible for maintaining personal information and those who are provided access to such information must not disclose private information in violation of applicable law or in violation of Pinnacle's policies.

We respect the privacy and dignity of all individuals. Pinnacle collects and maintains personal information that relates to your employment, including medical and benefit information. Special care is taken to limit access to personal information to employees with a need to know such information for a legitimate purpose. Other aspects of privacy in the workplace (including the use of Pinnacle computers, voicemail, etc.) are covered in more detail in the Employee Handbook or local policies and guidelines for employees located outside of the U.S. Please review these guidelines for further information.

3. Equal Employment Opportunity and Nondiscrimination

Pinnacle is an equal opportunity employer in hiring and promoting practices, benefits and wages. We will not tolerate discrimination against any person on the basis of race, religion, color, gender, age, marital status, national origin, sexual orientation, citizenship or disabled veteran status or disability (where the applicant or employee is qualified to perform the essential functions of the job with or without reasonable accommodation), or any other basis prohibited by law in recruiting, hiring, placement, promotion, or any other condition of employment.

4. Sexual and Other Forms of Harassment

Pinnacle policy strictly prohibits any form of harassment in the workplace, including sexual harassment. Please review the relevant Pinnacle guidelines in the various employee handbooks, guidelines or employment agreements.

5. Safety in the Workplace

Prohibition of Weapons and Violence in the Workplace

No employee may bring firearms, explosives, incendiary devices or any other weapons into the workplace or any work-related setting, regardless of whether or not employees are licensed to carry such weapons. Similarly, Pinnacle will not tolerate any level of violence in the workplace or in any work-related setting. Threats or assaults that require immediate attention should be reported to the facility manager at your office or the police.

Drugs and Alcohol

Pinnacle is committed to maintaining a drug-free work environment. Except at approved Pinnacle functions, you may not use, possess or be under the influence of alcohol on Pinnacle premises. You cannot use, sell, attempt to use or sell, purchase, possess or be under the influence of any illegal drug on Pinnacle premises or while performing Pinnacle business on or off the premises.

IV. INTERACTING WITH GOVERNMENT

1. Gifts to Government Officials

You are prohibited from providing gifts or anything of value to government officials or employees or members of their families in connection with Pinnacle business without prior written approval from the Compliance Officer

What is acceptable in the commercial business environment may be entirely unacceptable in dealings with governments in the United States and other countries. There are strict laws that govern providing gifts, including meals, entertainment, transportation and lodging to government officials and employees. For more information, see the section of this Code regarding Interacting with Government.

2. Political Contributions and Activities

Laws of certain jurisdictions prohibit the use of Pinnacle funds, assets, services, or facilities on behalf of a political party or candidate. Payments of corporate funds to any political party, candidate or campaign may be made only if permitted under applicable law and approved in writing and in advance by the Compliance Officer.

Your work time may be considered the equivalent of a contribution by Pinnacle. Therefore, you will not be paid by Pinnacle for any time spent running for public office, serving as an elected official, or campaigning for a political candidate. Nor will Pinnacle compensate or reimburse you, in any form, for a political contribution that you intend to make or have made.

3. Bribery of Foreign Officials

You must comply with the Foreign Corrupt Practices Act which governs giving gifts, money or anything of value to foreign officials or political parties.

Pinnacle policies, the U.S. *Foreign Corrupt Practices Act (the "FCPA")*, and the laws of many other countries prohibit Pinnacle and its officers, employees and agents from giving, offering to give, promise to pay or authorization to pay money, gift or anything of value to a foreign official, a foreign political party, a party official or a candidate for political office in order to (1) influence official acts or decisions of that person or entity (2) to obtain or retain business, or to secure any improper advantage.

All Pinnacle employees, whether located in the U.S. or abroad, are responsible for complying with FCPA. This area of the law can be complex, and the consequences of violations are severe for you and Pinnacle. Please contact the Legal Department with any questions or concerns you may have.

4. Government Contracts

Pinnacle's policy is to comply fully with all applicable laws and regulations that apply to government contracting. It is also necessary to strictly adhere to all terms and conditions of any contract with local, state, federal, foreign or other applicable governments. Pinnacle's Legal Department must review and approve all contracts with any government entity.

V. IMPLEMENTATION OF THE CODE

1. Responsibilities

Each of us is individually responsible for putting the Code to work and Pinnacle has a number of resources, people and processes in place to answer our questions and guide you in making difficult decisions.

Copies of this Code are available from the Compliance Officer and on our Intranet. A statement of compliance with the Code of Business Conduct and Ethics must be signed by all officers, directors and employees and must be returned to you're your local Human Resources or Office Manager. A copy of the acknowledgement form is included at the end of this guide.

2. Seeking Guidance

This Code cannot provide definitive answers to all questions. If you have questions regarding any of the policies discussed in this Code or if you are in doubt about the best course of action in a particular situation, seek guidance from your supervisor, the Compliance Officer or the other resources identified in this Code.

To help you decide on the “right” course of action consider the following:

1. Does my action to the following parties reflect Pinnacle's belief in honesty and integrity:
 - To Pinnacle employees?
 - To customers and users?
 - To business partners, competitors and shareholders?
 - To the government?
 - To the public?
2. Does my action seem unethical or improper? Use your judgment and common sense. If something seems unethical or improper, it probably is. Said another way, if you wouldn't want your action to be reported in the media, it's probably not the right thing to do.

If you are unsure about what to do in any situation, ask for guidance before you act, not after the fact.

3. Reporting Violations

If you know of or suspect a violation of applicable laws or regulations, the Code, or Pinnacle's related policies, you must immediately report that information to your supervisor, your local human resources representative or the Compliance Officer. If the information pertains to financial reporting or accounting matters the Whistleblower avenue can also be used (as discussed in Section I of this document)

Please do not attempt to investigate a known or suspected violation on your own; instead report it to the appropriate individuals. Retaliation against any person for providing information or otherwise assisting in an investigation or proceeding regarding any conduct that the employee believes constitutes a violation of applicable laws or regulations, the Code or any Pinnacle policy is a violation of Pinnacle policy and may, subject to applicable law, result in disciplinary action, including termination of employment.

4. Investigating Suspected Violations

The Compliance Officer will promptly investigate all reported violations of Pinnacle policy, and such reports will be treated confidentially to the extent reasonably possible. It is imperative that reporting persons not conduct their own preliminary investigations. Investigations of alleged violations may involve complex legal issues, and acting on your own may compromise the integrity of an investigation and adversely affect both you and Pinnacle.

5. Discipline for Violations

This Code will be enforced at all levels, fairly and without prejudice.

Pinnacle intends to use every reasonable effort to prevent the occurrence of conduct not in compliance with its Code and to stop any such conduct as soon as reasonably possible after its discovery. Subject to applicable law, employees who violate this Code and other Pinnacle policies and procedures may be subject to disciplinary actions, up to and including termination of employment and, if warranted, civil legal action or referral to criminal prosecution. In addition, subject to applicable law, disciplinary actions, up to and including termination of employment, may be taken against anyone who directs or approves violations or has knowledge of them and does not promptly report them in accordance with our policies.

6. Waivers of the Code

Pinnacle will waive application of the policies set forth in this Code only where circumstances warrant granting a waiver. Waivers of the Code for directors and executive officers may be made only by the Board of Directors as a whole or the Audit Committee of the Board and must be promptly disclosed as required by law or regulation.

7. No Rights Created

This Code is a statement of the fundamental principles and key policies and procedures that govern the conduct of Pinnacle's business. Nothing in this Code creates or implies an employment contract or term of employment. The Code may be modified at any time without further notice to you. Subject to applicable law, employees are employed at-will, except when covered by an express, written employment agreement. Neither the guidelines set forth in this Code, nor any other communications regarding the Code, alter the at-will employment relationship between United States employees and Pinnacle.

8. Remember

Pinnacle's ability to comply with the many laws, regulations and ethical standards depends on each of us. Please become familiar with and conduct yourself strictly in compliance with those laws, regulations and standards and Pinnacle's policies and guidelines pertaining to them.

ACKNOWLEDGMENT FORM

I have received and read the Pinnacle Code of Business Conduct and Ethics, and I understand its contents. I agree to comply fully with the standards, policies and procedures contained in the Code and Pinnacle's related policies and procedures. I understand that I have an obligation to report to the Compliance Officer any suspected violations of the Code that I am aware of. I acknowledge that the Code is a statement of policies for business conduct and does not, in any way, constitute an employment contract or an assurance of continued employment.

I have listed below all existing conduct or transactions that create an actual or apparent conflict of interest or that I am otherwise required by this Code to disclose.

Printed Name

Signature

Date

[Please give signed acknowledgement forms to your local Human Resources Manager or Office Manager]

APPENDIX A

Listing of Roles and Individuals

Compliance Officer

- Senior Vice President, Human Resources

Disclosure Committee

- Vice President of Finance;
- Director of Internal Audit;
- US Controller;
- EAME Director of Finance;
- General Counsel and;
- Financial Reporting Manager.