CODE

OF

CONDUCT

STANDEX INTERNATIONAL CORPORATION

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STANDEX INTERNATIONAL CORPORATION

CODE OF CONDUCT

I. GENERAL STATEMENT

The reputation of Standex International Corporation for integrity is an invaluable asset. (Wherever used in this Code of Conduct, Standex International Corporation, including all of its divisions and subsidiaries, shall be referred to as the "Company.") All employees of the Company, including officers and non-employee directors, are expected to uphold the highest standards of integrity and personal conduct in all their corporate activities in all locations and markets served by the Company. Such ethical principles and standards have been in place at the Company since its inception, and maintaining them is essential to the future success of the Company.

The purpose of this Code of Conduct is to communicate to employees the importance of maintaining high ethical standards, and assist them in meeting those standards by highlighting what the Company expects in terms of ethical conduct, both generally, and in specific areas where legal and ethical concerns frequently arise. In some of those specific areas, the Company has policy statements in place which provide more detailed explanations of the issues that can arise, and how employees should deal with them. Some of those policy statements are referenced in this Code of Conduct, and are attached to it. They can also be accessed on the Company's intranet portal, http://stxportal, by clicking the "Legal" tab which appears when the portal is accessed, and then clicking "Legal Links" on the left side of the screen which appears when the "Legal" tab is clicked.

This Code of Conduct is also intended to provide employees with a clear understanding of their obligation to report suspected violations of law or this Code of Conduct, and how to go about doing so.

It is the personal obligation and responsibility of each employee to read this Code of Conduct, to understand the policies, procedures and guidelines contained in it, and to diligently observe them in performing his or her job duties.

It is the policy of the Company to comply with all applicable laws in all jurisdictions in which it operates, including, without limitation, employment, discrimination, health, safety, antitrust, securities and environmental laws. No director, officer, executive or manager of the Company has authority to violate any law or to direct another employee or any other person to violate any law on behalf of the Company.

If any employee has questions about any section of this Code of Conduct, he or she should direct those questions to his or her immediate supervisor, the Vice President of Human Resources, or the Legal Department. If an employee suspects that a violation of this Code of Conduct or of law may have occurred, he or she is obligated to report it in accordance with the procedures set forth in this Code of Conduct under Article IV, REPORTING SUSPECTED NON-

COMPLIANCE. Retaliation against any employee who reports a possible violation is prohibited, and constitutes a violation of this Code of Conduct. Failure to comply with any of the provisions of this Code of Conduct subjects the employee to disciplinary measures up to and including termination.

II. POLICIES AND PRACTICES

A. Conflicts of Interest

In conducting business on behalf of the Company, employees are expected to act solely in the best interests of the Company. They must avoid any conduct which creates either an actual or perceived conflict of interest. A conflict of interest may arise in any situation in which an employee's loyalties are or could be perceived to be divided between the best interests of the Company and his or her personal self-interests. Employees must not use their Company positions for private or personal advantage or gain, except through their regular salaries and benefits.

Set forth below is a detailed definition of "Conflict of Interest" which describes many situations which create potential conflicts of interest which should be avoided. The list is not exhaustive, but it is designed to help employees determine whether or not certain activities create conflicts of interest.

Definition of **"Conflict of Interest"**

The term "conflict of interest" shall mean an instance or situation where the self-interest of an employee is at variance with or not compatible with the best interests of the Company. For example, the following instances could give rise to a conflict of interest (the capitalized terms are defined at the end of this Section):

1. Where the Employee or any Relative has a Financial Interest in a Supplier or Customer of the Company.

2. Where the Employee or any Relative is an officer, director or partner of any Supplier or Customer of the Company.

3. Where an Employee or any Relative receives a salary or other compensation for a Supplier or Customer of the Company.

4. Where an Employee or any Relative guarantees the indebtedness or any other obligation of any Supplier or Customer of the Company.

5. Where an Employee or any Relative loans money or anything of value to a Customer or Supplier of the Company.

6. Where an Employee or any Relative is monetarily indebted to any Supplier or Customer of the Company.

7. Where an Employee or any relative receives gifts or services of more than nominal value from any existing or prospective Supplier or Customer of the Company.

8. Where any Supplier or Customer of the Company pays for, in whole or in part, any trip or vacation taken by an Employee or any Relative.

9. Where an Employee or any relative receives a commission or any other form of reward on business transacted by third persons with the Company.

10. Where an Employee or any Relative discloses or uses the confidential information or assets, facilities or services of the Company for the profit or benefit of anyone other than the Company.

11. Where an Employee or any Relative knowingly engages in any plan or scheme with a Supplier of the Company to allow such Supplier;

    (i) to obtain property of the Company without paying fair market value therefore or not to return property after delivery to the Supplier for repairs;

    (ii) to deliver goods of a lower quality than specified in the purchase contract and be paid for the quality specified;

    (iii) to render services of lower quality than specified and be paid the full price;

    (iv) to be paid by the Company or its subsidiaries for a quantity of goods or services not delivered or performed; or

    (v) otherwise to engage in any fraudulent or dishonest transaction detrimental to the Company.

12. Where an Employee or any Relative knowingly engages in any plan or scheme with a Customer of the Company or any other person to allow such Customer or other person:

    (i) to obtain product or property of the Company without paying fair market value therefore;

    (ii) to receive goods of a higher quality than specified and allow the Customer or other person to pay a price normally charged for lower quality goods;

    (iii) to receive a larger quantity of goods than bills and paid for; or

(iv) otherwise to engage in any fraudulent or dishonest transaction detrimental to the Company. (This does not cover good faith duly authorized transactions, including where lower prices are given or goods are delivered on a no charge basis to settle bona fide claims or where lower prices are given to meet competition).

13. Where an Employee or any Relative has been involved in any transaction with a Supplier or Customer of the Company or any other person, not covered by the preceding instances, which could be interpreted as being in conflict with the interests of the Company.

Definitions of Capitalized Terms:

"Supplier" shall mean any individual, firm, corporation, partnership or other entity which is furnishing or has furnished any materials or services to the Company.

"Customer" shall mean any individual, firm, corporation, partnership or other entity which has purchased goods or services from the Company.

"Financial Interest" shall mean direct or indirect ownership of stock, notes, bonds, obligations of or an interest in a Supplier or Customer, but shall not include investments in companies listed on a national securities exchange or in mutual investment trusts having a diversified portfolio and broad ownership or in companies whose stock is publicly traded on over-the-counter markets, so long as such stock interest in any one over-the-counter company is less than 1% of the outstanding shares of such company and represents less than 5% of the total value of an individual's net worth.

"Relative" shall mean the Employee's spouse as well as any child, parent, brother or sister of either the Employee or the Employee's spouse.

B. Corporate Opportunity

Just as employees are expected to avoid conflicts of interest between their personal self-interests and the best interests of the Company, employees must not take for themselves business opportunities that they become aware of as a result of their employment by the Company. All employees owe a duty to act in the best interests of the Company in the course of their employment, and anything that they discover or become aware of as a result of their employment must be used solely to advance the business interests of the Company. Similarly, employees are not permitted to use Company property or information for their own personal gain.

C. Proper Use of Corporate Funds and Assets

Political Contributions

Political contributions made directly or indirectly by the Company are prohibited.

Political contributions include any donation, gift or loan of Company funds, assets or property, directly or indirectly, to or for the benefit of any political party, committee or candidate and any use of Company funds, assets, property or personnel, directly or indirectly, to oppose or support any government or subdivision thereof or to oppose any candidate or office holder. This includes (a) donations, gifts or loans of funds, assets or property made by employees or third persons, such as commission agents or consultants, who are reimbursed in any way by the Company; (b) the uncompensated use of Company services, facilities, property or personnel; (c) loans, loan guarantees or other extensions of credit; and (d) indirect support such as the furnishing of transportation, special duplicating services, the loan of employees to political parties or committees or the purchase of tickets for special dinners or other fund-raising events.

The above prohibitions relate only to the use of corporate funds, assets and property, and in no way should be interpreted to discourage employees from making personal contributions of time or their personal funds to candidates or political parties of their choice. Any such political activities must take place on the employee's own time and at his or her own expense. Employee political contributions cannot be reimbursed by the Company either directly or indirectly, such as by a "bonus" or any other compensation.

Payments to Public Officials

Payments and benefits directly or indirectly paid to or conferred upon any governmental official or employee is prohibited, regardless of whether any such payment or benefit is made in exchange for favored treatment from such official.

This prohibition does not apply to nominal expenditures for meals with governmental officials and employees which are incidental to Company business and are not intended and would not reasonably be expected to influence the making of impartial business decisions by the recipient. Employees should realize, however, that many governmental agencies prohibit the receipt by their employees of any gifts or benefits of any kind, regardless of the size of such gifts or benefits.

Commercial Bribery

Commercial bribes, "kickbacks" and other similar payments and benefits directly or indirectly paid to or conferred upon employees of suppliers and customers with the expectation of favored treatment from those employees, customers and suppliers as a result of the payments are prohibited.

Bribery of customers and suppliers includes the payment or use of Company funds, assets or property, directly or indirectly, to or for the benefit of any officer, employee, agent or representative of any customer or supplier. This includes (a) payments made by employees or third persons, such as commission agents or consultants, who are reimbursed for such payments in any way by the Company; (b) the uncompensated use of Company services, facilities or property; and (c) loans, loan guarantees or other extensions of credit.

This prohibition does not apply to expenditures for gifts of nominal value or expenditures for meals or entertainment of a representative of a customer or supplier which are incidental to Company business and are not intended and would not reasonably be expected to influence the making of impartial decisions by the recipient. Such expenditures shall be reported on an expense account form, and shall be reimbursed in accordance with the Company's expense reimbursement procedures. Any employees with a question about whether a particular expenditure is appropriate should discuss the issue in advance with his or her supervisor.

It also goes without saying that no employee shall accept anything of value from any supplier or customer of the Company in exchange for providing favored treatment to that supplier or customer. The acceptance of any such payments without the knowledge of the Company is a criminal offense to the same extent as making an unlawful payment to an employee of a supplier or customer.

Use of Company Assets

All employees of the Company, including officers and non-employee directors, must safeguard the assets of the Company from loss, theft or deterioration and do their best to make sure that those assets are used solely to advance the best interests of the Company and for the legitimate business purposes of the Company.

D. Integrity of Accounting and Financial Information

The integrity of the Company's financial and accounting information is of extreme importance to the Company. Investors, customers, suppliers, financial institutions and other parties critical to the Company's business have an expectation that its reported financial information is accurate. Thus, it is important that all transactions of the Company be properly recorded in the financial books and records of the Company. Any false, fictitious or misleading accounting entry made for any reason is prohibited. A false, fictitious or misleading accounting entry is one that does not accurately describe the underlying transaction or is not posted to the proper account.

All Company bank accounts, funds, properties and assets must be reflected in the Company's regular books and records and be subject to the Company's established internal control and audit procedures. All bank accounts and signatories thereon must be authorized by appropriate corporate action.

All employees with supervisory duties should establish and implement appropriate internal accounting controls over all areas of their responsibility to ensure the safeguarding of the assets of the Company and the accuracy of its financial records and reports. The Company has adopted controls in accordance with internal needs and the requirements of applicable laws and regulations. These established accounting practices and procedures must be followed to assure the complete and accurate recording of all transactions. All staff, within their areas of responsibility, are expected to adhere to these procedures, as directed by appropriate Company officers.

Any accounting adjustments that materially depart from generally accepted accounting principles ("GAAP") must be approved by the Audit Committee of the Board of Directors and reported to the Company's independent auditors. In addition, all material off-balance sheet transactions, arrangements and obligations, contingent or otherwise, and other relationships of the Company with unconsolidated entities or other persons that may have material current or future effects on the financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses must be disclosed to the Audit Committee and the Company's independent auditors.

No employee or non-employee director may interfere with or seek to improperly influence, directly or indirectly, the auditing of the Company's financial records, and all employees are expected to cooperate fully with the Company's informal audit functions.

If an employee becomes aware of any improper transaction or accounting practice concerning the books and records or resources of the Company, he or she should report the matter immediately to his or her supervisor or to the Audit Committee. Employees may specifically file a confidential, anonymous complaint with the Audit Committee if they have information regarding questionable accounting or auditing matters. There will be no retaliation against employees who report what they in good faith believe are questionable accounting or auditing matters.

E. Company Proprietary or Confidential Information

Among the Company's most valuable assets is information which is "proprietary" to the Company and would be of significant benefit to its competitors if it were to become known to them.

Such "proprietary" information includes technical data, manufacturing processes and techniques, customer and supplier information, internal financial data, business development strategies, sales and marketing data, and similar information. Although various laws allow some legal protection of this information to the extent that it can be characterized as a "trade secret," it is essential that all employees understand the importance of protecting this information. All employees are expected to maintain the confidentiality of all of the Company's proprietary information. In addition, employees must maintain the confidentiality of any information, regardless of whether it meets any legal definition of "proprietary" information, which is entrusted to them with the

expectation that it will be kept confidential. As such, employees should take the following precautions with respect to such confidential information:

- Maintain all such information in a secure location when you are not using it;
- Do not provide any confidential information to any outside parties unless that party has signed a Confidentiality Agreement approved by the Legal Department; and
- Do not discuss any confidential information with anyone outside the Company unless that person is bound by a Confidentiality Agreement.

It is also important that all employees understand that they have an obligation to respect the rights of the customers and suppliers with which the Company deals with respect to their confidential information. Unauthorized use of such information can subject the Company to damages, and in some cases, fines and criminal penalties.

Any employee who has a question about whether particular information is "proprietary" should discuss those concerns with his or her immediate supervisor. In addition, information about how to protect information legally as a "trade secret" is found in Protection of Trade Secrets, which is attached as Attachment I to this Code of Conduct.

F. Trademarks, Service Marks and Copyrights

Trademarks and service marks - words, slogans, symbols, logos or other devices used to identify a particular source of goods or services - are important business tools and valuable assets which require care in their use and treatment. No employee may negotiate or enter into any agreement respecting the Company's trademarks, service marks or logos without first consulting the Legal Department. The Company also respects the trademark rights of others and any proposed name of a new product, financial instrument or service intended to be sold or rendered to customers must be submitted to the Legal Department for clearance prior to its adoption and use. Similarly, using the trademark or service mark of another company, even one with whom the Company has a business relationship, always requires clearance or approval by our Legal Department, to ensure that the use of that other company's mark is proper.

Employees must avoid the unauthorized use of copyrighted materials of others and should confer with the Legal Department if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying or otherwise using copyrighted materials. In addition, simply because material is available for copying, such as matter downloaded from the Internet, does not mean that it is automatically permissible to copy or re-circulate (by, for example, email or posting to an intranet facility). All copies of work that is authorized to be made available for ultimate distribution to the public, including all machine readable works such as computer software, must bear the prescribed form of copyright notice.

G. Trading in the Company's Securities on Inside Information.

All employees are expected to know that it is unlawful to buy or sell Company stock when they are aware of material information about the Company that has not been disclosed to the public. Companies generally disclose information to the public either by a broadly disseminated press release or by a filing with the Securities and Exchange Commission. Information is "material" if it is of a type that an investor might consider important in deciding whether to buy or sell a stock. Examples would include a large corporate merger or acquisition, a significant product development, or a change in the company's dividend policy.

As an employee, you may become aware of information that could be considered "material" under the above definition. You cannot buy or sell stock of the Company if you possess such information and you cannot provide the information to others so that they can buy or sell. Both the New York Stock Exchange and the Securities and Exchange Commission have the ability to monitor stock trading through sophisticated computerized searches and violations of the "insider trading" laws will subject both the Company and the employee who buys or sells based on inside information to potentially substantial civil and criminal penalties.

Trading in Company stock by executive officers and directors is subject to a separate set of regulations under the Securities Exchange Act of 1934. The Company maintains a policy regarding the reporting of such transactions by executive officers and directors, which is provided to all of those whose trading is governed by these requirements.

H. Fair Dealing

All employees are expected to deal fairly and honestly with the Company's customers, suppliers, competitors, fellow employees and with the Company itself. No employee should take unfair advantage of any such party through manipulation, concealment, abuse of privilege or confidential information, misrepresentation, violation of law or any other unfair practice.

The Company selects its suppliers based solely on quality, price, delivery, services and other business concerns. The selection decision must never be based on personal considerations, or any consideration other than that supplier's ability to provide the best possible value to the Company.

I. Compliance With Laws

Antitrust Laws

The federal government, most state governments, the European Economic Community and many foreign governments have enacted antitrust or "competition" laws. These laws prohibit "restraints of trade", which in general means conduct involving the Company and its competitors, customers or suppliers which is intended to reduce competition in the marketplace. The purpose of the antitrust laws is to ensure that markets for goods and services operate

competitively and efficiently, so that customers enjoy the benefits of open competition among their suppliers and sellers similarly benefit from competition among their purchasers. In the United States and some other jurisdictions, violations of the antitrust laws can lead to substantial civil liability - triple the actual economic damages to a plaintiff. Moreover, violations of the antitrust laws are often treated as criminal acts that can result in felony convictions of both corporations and individuals.

Strict compliance with antitrust and competition laws around the world is essential. These laws are very complex, and guidance from the Legal Department should be sought whenever you have a question about the antitrust laws.

Without limiting the range of activities that may be prohibited by the antitrust laws, the following acts are clear violations of such laws, and must be avoided:

- Discussions with competitors regarding the pricing of the Company's products;
- Discussions with competitors concerning the allocation of markets or customers;
- Agreements to boycott certain customers or suppliers; and
- Discussions with suppliers and customers that unfairly restrict trade or attempt to exclude customers from the marketplace.

In addition, while participation in trade associations can be very beneficial to the Company, doing so does pose certain risks, because trade association activities bring competitors together, creating the possibility for discussions which could lead to antitrust violations. Employees should discuss their participation in trade associations with the Legal Department to better understand their duties and obligations. More information about employee participation in trade associations is provided in the Antitrust Law Policy which is referenced in the paragraph below. Discussions with competitors at trade shows must also be limited, and should not involve any of the conduct which is described above.

There are many other aspects to the antitrust laws, relating to product pricing, variations in the antitrust laws of various countries and other important commercial matters. These are discussed in much greater detail in the Company's Antitrust Law Policy, which is attached as Attachment II to this Code of Conduct.

International Operations

Laws and customs vary throughout the world, but all employees must uphold the integrity of the Company in other nations as diligently as they would do so in the United States. When conducting business in other countries, it is imperative that employees be sensitive to foreign legal requirements and United States laws that apply to foreign operations, including the Foreign Corrupt Practices Act. The Foreign Corrupt Practices Act, a federal law, generally makes it unlawful to give anything of value to foreign government officials, foreign political parties, party

officials, or candidates for public office for the purposes of obtaining, or retaining, business for the Company. Employees should contact the Legal Department if they have any questions concerning a specific situation that might involve the Foreign Corrupt Practices Act. The penalties for violating the Act can be severe.

The sale of the Company's products to customers in foreign countries and the use of foreign suppliers can be subject to export/import controls and regulations in both the United States and foreign countries. In some cases, especially regarding sales of products that may impact our national defense, export licenses must be obtained from government agencies before the products can be sold outside the country in which they are manufactured. Employees who are involved in importing or exporting products for sale or for use in the manufacturing process should consult with the Legal Department if they are unsure about whether such laws apply to the transactions in which they are involved.

In addition, as a general rule, U. S. companies and their foreign subsidiaries cannot "participate or cooperate with" international boycotts that are not sanctioned by the U. S. government. More specifically, this means that the Company cannot:

1. refuse to do business in support of an unsanctioned boycott (i.e. a boycott not sanctioned by the U. S. government);

2. do business with an embargoed company, individual or entity listed on the U. S. government's debarred parties list;

3. do business with any party known to be acting in violation of U. S. or foreign laws and regulations;

4. do business with arms proliferation-related buyers or end users or parties named on the Department of Commerce's Entity List;

5. do business with a party who refuses to do business or discriminates with another country or entity in support of an unsanctioned foreign boycott; or

6. pay a letter of credit which does any of the above.

More detail concerning the Company's legal requirements under the anti-boycott laws and descriptions of what the Company can and cannot do, can be found in the Policy Statement on Sanctions and Trade Embargos (Boycott Laws) which is attached as Attachment III to this Code of Conduct.

The laws of some countries may sometimes be less restrictive with respect to certain matters than the guidelines in this Code of Conduct. Regardless, in those situations, employees are expected to follow the guidelines in this Code of Conduct. Employees who are confused about how to comply with the overlapping requirements of U. S. law, a foreign country's law and this Code of

Conduct should consult with their supervisor, or contact the Legal Department before taking any specific action.

Environmental Matters

It is the policy of the Company to comply with all applicable laws and regulations relating to the protection of the environment. Each division and business unit is responsible for compliance with the applicable laws of the country in which it is located. All employees are expected to be aware of and abide by established environmental policies and procedures covering the business units where they work.

Relationships with Public Officials

Some employees do business with federal, state or local government agencies. All employees engaged in business with a governmental body or agency must know and abide by the specific rules and regulations covering relations with these agencies. Such employees must also conduct themselves in a manner that avoids any dealings which might be perceived as attempts to influence public officials in the performance of their official duties. Employees should be aware of the fact that many governmental agencies prohibit their employees from accepting any gifts, meals or entertainment from any business people with whom they deal, no matter how small the gift may be.

J. Occupational Safety

It is the policy of the Company to provide its employees with a place of employment that is free from recognized hazards, and to comply with all applicable safety laws and regulations. The Company has established a Safety and Health Program and Injury Management Program for its operations that places responsibility on each division, subsidiary and business unit for compliance with these programs. Questions and inquiries about these programs should be directed to the Corporate Risk Manager.

K. Employment Policies

The Company is committed to fostering a work environment in which all individuals are treated with respect and dignity. Each individual should be permitted to work in a business-like atmosphere that promotes equal employment opportunities and prohibits discriminatory practices and conduct which an employee would find harassing, threatening, abusive or hostile. The Company expects that all relationships among persons in the workplace will be business-like and free of unlawful bias, prejudice and harassment. It is the Company's policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, or any other status protected by law. Acts of harassment or discrimination constitute violations of Company policy, and employees found to

have engaged in them will be disciplined up to and including termination. The Company encourages employees to speak out against and report any conduct that fails to meet the foregoing standards, and prohibits retaliation against any employee who does so.

It is the Company's policy to comply with all applicable wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment. To the extent the Company deals with labor unions, it is illegal under federal and state law for the Company or any of its employees or agents to pay to or receive anything of value from any labor organization.

No Company employee may interfere with or retaliate against another employee who seeks to invoke his or her rights under any labor and employment laws. If any employee has any questions about the laws or Company policies governing labor and employee relations matters, he or she should consult the local human resources representative at the business unit where he or she works, the Vice President of Human Resources, or the Legal Department. At many business units of the Company, employee handbooks exist which can provide specific guidance to employees on many employment-related matters.

The Company is committed to providing a safe workplace for all employees. Numerous state and federal laws and regulations impose responsibility on the Company to safeguard against safety and health hazards. For that reason, and to protect the safety of themselves and others, employees and other persons who are present at Company facilities are required to follow carefully all safety instructions and procedures that the Company adopts. Questions about possible health and safety hazards at any Company facility should be directed immediately to the employee's supervisor.

The Company maintains specific policies regarding Equal Employment Opportunity and Sexual Harassment. Those policies describe the kind of conduct that could constitute violations of those policies. Both policies are attached to this Code of Conduct as Attachment IV and Attachment V, respectively. Any questions concerning these policies should be directed to the Legal Department or the Vice President, Human Resources.

L. Computer and Communications Systems

Every employee who uses the Company's computer system, including, without limitation, its electronic mail (E-mail) system and the Internet is expected to do so properly and in accordance with Company policies. The same standard applies to communication devices such as cell phones and personal digital assistants (PDAs) that are provided by the Company.

The resources described above are provided to enable employees to better perform their jobs. They are Company property and are to be used for business purposes. Employees should understand that there is no guarantee of privacy with respect to any information sent or received by or stored in any of these computer or communication systems. All such information is considered Company property and may be reviewed by the Company at any time.

Under no circumstances shall any Company-provided resources be used for any of the following purposes:

- Communications which are considered sexually explicit, verbally abusive, harassing, defamatory, vulgar or obscene.
- Communications that disrupt or interfere with the work of others.
- The downloading or display of any material which would fit the above criteria.

The computer and communications systems of the Company and the information stored in them are valuable assets of the Company. Significant time, effort and cost is expended to maintain the security of the information. To ensure the continuing security of the information, all employees should abide by the following safeguards:

- The Company's computer network should be accessed only by mechanisms authorized by the Company.
- Passwords should not be provided to third parties, and should be changed if their confidentiality is compromised.
- No software should be installed on any computer system by any employee who is not specifically authorized to do so. Likewise, no software purchased and installed by the Company on its computer system shall be duplicated by any employee. Doing so is generally a violation of the terms of the software license obtained by the Company, and will subject the Company to damages and other penalties.
- Employees should not attempt to access any files or programs which they are not authorized to access.
- Employees should exercise extreme care when sending any confidential or proprietary information by e-mail or PDA, to insure that it is not likely to be redistributed to persons not authorized to view it.

The Company maintains a more detailed policy regarding the use by its employees of the Company's computer systems. That policy is attached to this Code of Conduct as Attachment VI.

M. Hiring of Former Government Employees

Many laws restrict the hiring as an employee or retaining as a consultant of a government employee other than secretarial, clerical, or other low salary grade employees. These restrictions also cover informal arrangements for prospective employment under certain circumstances. Therefore, written clearance must be obtained from the Legal Department before discussing

proposed employment with any current government employee and before hiring or retaining any former government employee who left the government within the past two years.

N. <u>Media, Investor and Government Inquiries.</u>

Unsolicited inquiries are made to the Company from time to time by the media, by investors, and by members of the general public. It is important that only those employees whose job functions include communicating with such parties do so. As a result, unless an employee has been specifically authorized to respond to such an inquiry, he or she is prohibited from doing so. Any such inquiries must be reported to your immediate supervisor. The only employees authorized to respond to such inquiries are the Company's chief executive, chief financial and chief legal officers.

Inquiries may also be received from time to time by government regulators. Employees shall not respond to such inquiries. All such inquiries should be promptly disclosed to your immediate supervisor, who shall report them to the head of the business unit which is the subject of the inquiry.

III. COMPLIANCE WITH THE CODE OF CONDUCT

All employees have a responsibility to read and understand this Code of Conduct, and to comply with its provisions. In addition, all employees are expected to perform their work with honesty, fair dealing, and integrity in any areas not specifically addressed by the Code of Conduct. In other words, employees are expected to conduct themselves not only in accordance with the letter of the Code of Conduct, but also with its spirit. Where more detailed policy statements concerning certain subjects are attached to or referenced in this Code of Conduct, employees are expected to have reviewed and understood those policies and to act in accordance with them. A violation of this Code of Conduct may result in appropriate disciplinary action including the possible termination from employment with the Company, without additional warning.

The Company strongly encourages employees to talk to their supervisors or managers about situations that give rise to ethical questions and to determine and initiate acceptable ways for handling those situations. Supervisors and managers are expected to encourage such discussions and to set an example by acting with the highest legal and ethical standards. Each supervisor must annually certify that he or she has read and reviewed this Code of Conduct and discussed it with his or her direct reports, and every employee must certify that he or she has read this Code of Conduct and to the best of his or her knowledge is in compliance with all its provisions.

This Code of Conduct reflects general principles to guide employees in making ethical decisions and cannot and is not intended to address every specific situation. As such, nothing in this Code of Conduct prohibits or restricts the Company from taking any disciplinary action on any matters pertaining to employee conduct, whether or not they are expressly discussed in this document.

The Code of Conduct is not intended to create any expressed or implied contract with any employee or third party. In particular, nothing in this document creates any employment contract between the Company and any of its employees. All employees other than those covered by written employment agreements shall be considered "at will" employees, as that term is defined by law.

This Code of Conduct, and any policies which are referenced it, may be revised, changed or amended at any time. The Code of Conduct is further subject to disclosure and other provisions of the Securities Exchange Act of 1934, and the rules thereunder and by the applicable rules of the New York Stock Exchange.

IV. REPORTING SUSPECTED NON-COMPLIANCE

A. General Policy

As part of its commitment to ethical and legal conduct, the Company not only encourages, but expects its employees to report any activity that they believe may be a violation of law or this Code of Conduct. In fact, the intentional failure to report a suspected violation is itself a violation of this Code of Conduct.

B. Complaint Procedure

To report a suspected violation of law or this Code of Conduct, an employee is encouraged to first contact his or her immediate supervisor or local human resources representative. If doing so is either impractical or uncomfortable for the employee, reporting should be made through any of the following alternative channels:

- the next higher level of management above the employee's supervisor;
- the Vice President, Human Resources;
- the Legal Department;
- the 24-hour anonymous Hotline (1-800-514-5275); or
- the Corporate Governance Officer.

In addition, suspected accounting or auditing violations may be reported to the Audit Committee of the Board of Directors. To report such a violation to the Audit Committee, an employee may submit a confidential report of the violation to the Corporate Governance Officer, who will report the violation in confidence to the Audit Committee. Employees may also report violations by submitting an e-mail directly to BoardofDirectors@Standex.com.

All information reported through the above channels will be treated as confidential to the maximum extent possible and consistent with the need to appropriately evaluate and investigate the alleged violation. No employee will be subject to retribution or retaliation as a result of having reported in good faith a suspected violation of law or this Code of Conduct. A report will not be considered to have been made in good faith if it is made with malicious intent or is intentionally false.

All violations that are reported will be taken seriously and will be appropriately investigated. Any employee from whom information is sought as part of any investigation is expected to cooperate fully and answer questions truthfully to the best of his or her ability. To the maximum extent possible, the employee reporting the violation will be kept informed of the progress and results of the investigation. Occasionally, legal or other requirements may demand that the investigation be kept fully confidential.

Because retaliation against an employee who in good faith reports a suspected violation is itself a violation of this Code of Conduct, any attempted retaliation against an employee who reports a violation or who cooperates in any investigation should be reported. Allegations of attempted retaliation will be investigated, and any employee who is found to have engaged in retaliatory conduct will be subject to appropriate discipline, regardless of his or her position.

Calls made to the Hotline can be made anonymously. Calls are not recorded or traced. The communication specialist who takes your call will report the call to the Corporate Governance Officer, who will cause the reported violation to be investigated.

V. WAIVER

If an employee believes that a waiver of the Code of Conduct is necessary or appropriate, including, but not limited to any potential or actual conflict of interest, or any waiver of the Company's policies or procedures, a request for a waiver and the reasons for the request must be submitted in writing to the Chief Legal Officer of the Company. An officer or director must submit the request for a waiver to the Chairman of the Nominating and Corporate Governance Committee of the Board of Directors. Any waiver of the Code of Conduct for executive officers and directors will be disclosed promptly to the Company's stockholders.

VI. EMPLOYEE RESOURCES

Corporate Governance Officer

Stacey S. Constas
Senior Corporate Attorney/Assistant Secretary
(603) 685-2018
Email: Constas@Standex.com

24 Hour Help Line
1-800-514-5275

Corporate Human Resources

James L. Mettling
Vice President of Human Resources
(603) 685-2021
Email: Mettling@Standex.com

Corporate Legal Department

Deborah A. Rosen
Vice President/CLO/Secretary
(603) 685-2016
Email: Rosen@Standex.com

Corporate Risk Management

William J. Donlon
Corporate Risk Manager
(603) 685-2043
Email: Donlon@Standex.com

* * *

ATTACHMENT I

PROTECTION OF TRADE SECRETS

Trade secrets can be among the most valuable property rights your division owns but in many cases you don't realize it until they have been lost forever. If you aggressively protect your trade secrets, both internally and externally, you'll stand a better chance of maintaining your competitive edge.

What is a Trade Secret?

Every division, large and small, has certain information which it has developed through its own efforts and which would be of significant help to its competition, if it becomes known to them. For example, the fruits of an R & D program, manufacturing drawings of products, cost accounting and other financial information and customer lists would generally qualify as trade secrets.

A trade secret may be defined as ‘any formula, pattern, device or compilation of information which is used in one's business and which gives it an opportunity to obtain an advantage over competitors who do not know or use it. It may be a formula for a chemical compound, a process of manufacturing, treating or preserving materials, a pattern for a machine or other device, or a list of customers.”

Trade Secrets and Patents

Certain types of trade secrets may not be patentable under any circumstances. In this category would fall customer lists and financial information. The patent laws don't apply to this type of subject matter, but the courts will recognize a proprietary right in such trade secrets even though they are not patentable.

With respect to machinery, chemicals and processes which may be patented, we have a choice. We can attempt to patent the idea or we can attempt to maintain it indefinitely as a trade secret. If a patent application is pending, the contents of that application are kept confidential in the United States Patent & Trademark Office so the idea can be kept as a trade secret during the period of application. If a patent issues with respect to the idea, the contents of the patent are published and the secrecy aspects are lost forever with respect to all information disclosed in the patent. If a patent doesn't issue, it is possible to continue the trade secret aspects indefinitely.

Requirement of Secrecy

Of course, the primary element in protecting a trade secret is to demonstrate that the concept has been kept secret. A trade secret must not be of public knowledge or of a general knowledge in the trade or business.

It is clear that a trade secret need not be absolutely secret, however, it must not be broadly disseminated. It may be known to employees within the Company and may even be independently developed by third parties.

The test is if the information is sufficiently secret to give us a competitive advantage, then it is worth protecting or attempting to protect in order to keep that competitive advantage.

Uniqueness

In addition to secrecy, trade secrets must be unique. However, the test of whether a trade secret is unique enough to be protectable by a court is not nearly as stringent as the "non-obviousness" test of the patent laws. A trade secret must be original, that is, it cannot be copied from someone else. And it must possess some minimal novelty, that is, the trade secret information must be more than mechanical commonality.

It must be more than knowledge acquired by a skilled craftsman in the process of performing his job. No court will enjoin a former employee from practicing his craft.

With respect to information like customer lists and financial information, the test becomes one of originality with the owner of the trade secret.

Limits of Trade Secret Protection

Trade secrets are not protectable against those who discover the secret for themselves independently of the owner. In addition, trade secrets are not protectable against one who purchases a product from the marketplace and uses "reverse engineering" to discover the supposed secrets therein. However, a trade secret is protected against one who receives the information while in a confidential relationship, such as an employee-employer relationship.

Program to Protect Trade Secrets

The essence of a trade secret is its secrecy. It is essential to have a program to protect trade secrets which is really nothing more than common sense.

Here are some steps which should be part of your divisional trade secret program:

1. Warning Notices

   Every document which embodies a trade secret (such as drawings, blueprints, customer lists, financial information, etc.) should have a confidential information warning stamped on it.

2. Limited Circulation

   Documents containing trade secret information should obviously not be reproduced or distributed except to those within the division who actually must have the information in order to fully perform their jobs. Distribution outside the division should be even more strictly curtailed on a "need to know" basis.

3. Education of Employees

   A division must consistently inform and warn its employees at the time they are employed, during employment and particularly when the employee leaves, not to use or disclose confidential information to which he has been exposed during his employment.

4. Information and Trade Secret Agreements

   All employees who have any access to trade secret or confidential information should be required to sign the Standex Information and Trade Secret Agreement at the time they are employed. Two copies of each agreement should be signed - one for the employee and one to be forwarded to the Legal Department of Standex. A photocopy of each agreement should be kept at the divisional level. It is very important to make sure the Information and Trade Secret Agreement is signed at the earliest possible time - preferably the first day of employment as part of the other preliminary employment procedures.

5. Restrict Access to Portions of Plant

   If your division has items such as machinery and processes that it is protecting as trade secrets, it should, as much as possible, restrict access to those areas of the an containing these items from all visitors and even from employees in other departments.

In Conclusion

Remember the protection you get from your trade secrets may be the difference between failure and success in these highly competitive times. So do not overlook them - protect them.

ATTACHMENT II

ANTITRUST LAW POLICY

BACKGROUND

The purpose of the antitrust laws is to preserve a competitive economy in which free enterprise can flourish. The Company's long insistence upon full compliance with legal requirements in the antitrust field, therefore, has not been based solely on the desire to stay within the bounds of the law, but also on the Company's conviction that the preservation of a free competitive economy is essential to the welfare of the Company and the country.

Furthermore, antitrust litigation can be very costly in time, money and effort. Violations of the antitrust laws can, among other things, subject the corporation involved to the imposition of injunctions, treble damages and heavy fines. Individual employees can receive heavy fines or even be imprisoned.

It is the individual obligation of all Company personnel to comply with the policy and guidelines contained herein. Any variation, where dictated by prudence and legitimate business considerations in particular situations, must be cleared by the Company's Chief Executive Office with the advice of the Legal Department Violation of this policy may subject the individual to disciplinary action and, in the case of intentional or grossly negligent conduct, to dismissal.

This policy sets forth only general guidelines with respect to broad areas of antitrust compliance. It is intended to make employees aware of those areas in which antitrust risk may be involved so that they will avoid danger areas and refer any questions and problems that arise to the Legal Department on a "before-the-fact" basis.

RELATIONS WITH COMPETITORS

It is against Company policy to have any discussion or communication whatsoever with any representative of a competitor concerning past, present or future prices, pricing policies, discounts or allowances, promotions, royalties, terms or conditions of sale, costs, choice of customers, territorial markets, production quotas, allocation of customers or territories, or bidding on a job. It follows, of course, that there must never be any agreement with a competitor concerning these subjects. This includes not only formal written or oral agreements, but "gentlemen's agreements", or tacit understandings.

Company prices must be determined based on costs, market conditions and competitive prices, obtained from sources other than competitors. It is contrary to Company policy to send or receive any price list to or from a competitor.

In the circumstances where a competitor is also a customer or a supplier of the Company, it is permissible to discuss or agree upon prices charged to or by the Company solely in transactions between the Company and that competitor.

TRADE ASSOCIATIONS

Participation by Company employees in the activities of industry trade associations is encouraged by the Company. These associations play a vital function in gathering industry information, representing the industry to the public and in many other important areas. At the same time, because such associations often bring representatives of competitors into contact, it is essential that all Company personnel be constantly alert to the possible anti-trust implications of the activities of these associations. Any course of conduct by a trade association or its members which results in a restraint of trade is illegal under the United States anti-trust laws and must be avoided in all circumstances.

This section discusses some of the possible problem areas of trade association membership, so that you may reasonably assess the activities of any particular association to which you belong. It applies to associations which generally consist of representatives of an industry to consider matters of overall concern to that industry. It does not apply, for example, to broadly based organizations such as Chambers of Commerce or other similar civic, professional or governmental groups, although it would be prudent to keep the generalities of this memorandum in mind with regard to such groups.

Accepted Aims and Activities

There are many legitimate and acceptable trade association aims and activities which benefit the industry, customers, and which are in the public interest. In general, these activities will fall within the following categories:

- Compilation of general historical industry statistics
- Promotion of the industry generally
- Representing the industry before governmental bodies
- Legislative analysis
- Appropriate legal action on behalf of the industry

In recent years, additional activities, such as energy conservation, environmental studies, safety, transportation needs, vocational training and consumer education have also been the subject of legitimate trade association activity. While other activities may also be acceptable, any major changes in scope should be brought to the attention of the Legal Department. If you are not sure of the stated aims of the association to which you belong, you should review the association's constitution, charter, articles of incorporation or by-laws, as the case may be.

Prohibited Arms and Activities

Practices which must be avoided are those which, directly or inferentially, lead to a conclusion that the purpose or effect of the activity is in one way or another, to restrain the otherwise individual freedom of the association members or to insulate them from competition. Illegal or potentially dangerous areas include the following:

- Attempting to fix or stabilize prices (whether minimums or maximums or any terms or elements going into the determination of any price), either generally or with respect to a customer of group customers;
- Attempting to limit, allocate or fix production or sales, including expansion or curtailment of manufacturing or selling capacity;
- Attempting to allocate markets geographically, by product, customer or otherwise among any number of actual or potential competitors;
- Compilation of industry data beyond the usual general historical production and consumption. Sensitive topics include studies relating to such items as cost of manufacture, estimates of future production, future price levels or the effect of contemplated expansions by competitors;
- Setting industry product standards which either reduce competition or inhibit research;
- Discussion by industry or trade association representatives of individual company data;
- Disciplinary tactics against members who refuse to attend meetings, submit data, etc.; and
- Exclusion of qualified applicants for membership or inordinately large membership fees or dues.

Liability for Acts of Other Members

The acts of some members of the association may be attributed to other members who, even though they did not take part in the activities, nonetheless were aware of their existence.

In Phelps Dodge Refining Corp. v. Federal Trade Commission, the Court stated that:

> "...we think it was permissible for the Commission to infer that when these companies sent in their data they knew what use was to be made of them. They did affirmative acts, and if they had not acquainted themselves fully with the association's purposes with

> respect to the data, at least it was for them to prove the fact. Otherwise the inference of their complicity could reasonably be drawn."

In addition, the remarks of the Director of the Bureau of Competition of the Federal Trade Commission:

> "The Bureau's position in regard to member liability is that if a member firm knew of the illegal practices and failed to disassociate itself from the association as a result of such knowledge, then the member should be held liable for the association's illegal activities. The courts have upheld this view."

Review Procedures To Follow

You should adhere to the following practices in connection with all trade association activities in which you or your subordinates participate:

1. Review the constitution and by-laws of the association--if you have any question concerning the purpose of the association, discuss it with the Legal Department.

2. Insist that the association retain qualified counsel, who is familiar with all of its activities, attend all meetings, and review all of its minutes. Counsel should be present even at subcommittee meetings unless the subjects for discussion are clearly related to the entirely non-sensitive areas.

3. If at any meeting of a trade association or any committee thereof there is any discussion which you feel is improper or could support an inference of impropriety, state your objection.

4. Insist that minutes are prepared of all meetings, including sub-committee meetings.

5. Satisfy yourself that all projects undertaken by the association are directly related to the lawful aims of the association and do not involve, directly or otherwise, restrictions on individual decision-making of any member.

6. Before becoming an officer or director of any association or agreement to chair a committee, review it with management and with the Legal Department.

7. Informal discussions before or after meetings must be in compliance with the above guidelines.

8. Satisfy yourself that employees under your supervision who attend trade association meetings are fully aware of the need for compliance with these guidelines.

Summary

To repeat, trade associations can serve many proper and useful functions. It is essential, however, that their activities be conducted in a manner which strictly conforms to the anti-trust laws. Compliance with the anti-trust laws must in a large measure lie with the employees who participate in the association activities, particularly those employees who have a policy-making role in an association. Each manager has the responsibility for insuring compliance with these guidelines in his area of operations. All questions and concerns should be discussed with the Legal Department.

RELATIONS WITH CUSTOMERS AND SUPPLIERS

Independent Selection. As a general rule, the Company is free to select its own customers and suppliers, but it must do so independently. Any understanding or agreement with a party, whether a formal written or oral agreement or a tacit understanding, to do or refrain from doing business with a third party is against Company policy. Any involvement in any discussion or plan of a customer to restrict competition must be strictly avoided. Of course, usual credit sources may still be consulted in reaching our independent decision to deal with another company.

Refusal To Do Business. The Company is generally free to refuse to do business when it so desires, but such a decision must be taken unilaterally. Because refusals to deal frequently lead to litigation, however, the Legal Department should be consulted before the Company refuses to sell to any customer or prospective customer (whether or not the Company has done business with the party in the past) except where it is solely for credit reasons, in which case a written record should be maintained setting forth the reasons for the decision.

New Distribution or Supply Agreements. To minimize antitrust risk, it is desirable that the Legal Department be advised before the Company enters into any new distribution or supply agreement which differs in any respect from those previously approved, such as the Company's standard sales contract form.

Sales of Company Products. Each of the Company's products must be sold on its own merits. No sale of any of the Company's products may be conditioned on the customer's purchasing another of the Company's products or not purchasing the product of a competitor. No contract or agreement to supply all or substantially all of a customer's requirements may be entered before consulting with the Legal Department.

Resale Prices and Terms. The Company is permitted to suggest to customers resale prices and terms, or other marketing practices. However, the antitrust laws do not permit any agreement--formal or informal, express or implied--concerning the prices or terms of resale of the customer. Furthermore, it makes no difference whether the agreement is aimed at higher or lower prices. It is up to the customer, using his independent business judgment, to decide whether to follow Company suggestions.

Also, it is Company policy to permit customers to resell wherever and to whomever they wish. Areas of primary responsibility are permissible, but must be reviewed by the Legal Department.

Company Purchases. It is against Company policy to require a supplier to purchase products from the Company as a condition of the company purchasing products from that supplier. It is permissible to suggest to a supplier or a potential supplier that our products deserve his consideration. Such suggestions must not place pressure on the supplier or be susceptible to misinterpretation.

Price Discrimination. The Robinson-Patman Act basically prohibits giving different prices, terms, services or allowances to different customers who compete or whose customers compete in the distribution of the Company's products. Company policy with respect to pricing is set forth in Standex Policy #1.

Market Power. Where an organization occupies a dominant or potentially dominant position with respect to a particular product or market, the law imposes rigorous standards of conduct on it. In such a situation, it is particularly important that Company personnel avoid any tactics which could be construed as designed to exclude competitors or destroy particular competitors.

This includes sales at unreasonably low prices or restrictive practices. Management and the Legal Department should be kept fully informed of competitive strategies and conditions in areas where the Company may have a significant market position.

GOVERNMENT REQUESTS FOR INFORMATION OR INVESTIGATIONS

All requests for interviews or information from any governmental agency or department should be immediately referred to the Legal Department.

IMPROPER APPEARANCES

In complying with this policy it is important not only to avoid potential antitrust violations, but any behavior which could be construed as improper. Company personnel should avoid even their mere presence at discussions of an improper nature, and should immediately and unequivocally disassociate themselves from such discussions. The sources of competitive information and the basis of business decisions should be documented consistently. The files of the Company and of individual personnel may be subjected to extensive analysis by Governmental authorities or private litigants. Company personnel should be careful to accurately record what has transpired and not use ambiguous words which may have an unintentional and unfortunate meaning.

Pricing Under Robinson-Patman Act

Background

The Robinson-Patman Act prohibits a seller from granting discriminatory low prices to a select group of customers at the expense of their competitors. It was passed largely in response to the grocery store chains (particularly the A&P Company) forcing their suppliers to grant them lower prices than the smaller "Mom & Pop" grocery stores could command.

Basic Prohibition

The basic prohibition of the Robinson-Patman Act is against the seller charging a different price to competing customers for the same product where a possible injury to competition exists and there is no available defense for the difference in pricing.

The Act also makes it unlawful for any person to knowingly induce or receive a discrimination in price which is prohibited by the Act.

Same Products

The products sold to the favored and the unfavored buyer must be the same. If the products (as opposed to the brand name or the packaging) are physically different in any respect, the Act simply does not apply. For example, we could sell cookware with identical bodies but different handles and knobs to competing buyers at different prices with no Robinson-Patman problem. However, just a different brand name or different packing is not enough.

Effect on Competition

There must be an effect on competition. Generally, this means that there must be a demonstration that the favored buyer was helped by the lower price. This is easy to show in the case of products purchased for resale and almost impossible in the case of products purchased by manufacturing companies. In a purchase for resale situation, the courts can readily see that if a company buys something for less, it can sell it for less. However, in the case of a manufacturing operation where parts are purchased for a finished product, there are so many factors which go into the price of the finished product that a court would not assume an effect on competition. It would have to be proved. In almost all cases (except perhaps major components of a finished product) this would be impossible. There are no reported cases which have achieved this level of proof in a manufacturing situation.

This means that the Robinson-Patman Act would have no applicability to the extent that we were selling pumps, for instance, directly to companies which were incorporating the pumps in dispensing machines. On the other hand, where we are purchasing component parts for our

manufacturing operations, there is no Robinson-Patman problem in getting the lowers possible price regardless of what others are being charged.

Penalties

The Act provides that treble damages are to be awarded to civil parties proving a violation of the Act. There are also provisions for enforcement by the Federal Trade Commission and the Justice Department.

Functional Discounts

Although the Act nowhere specifically allows it, it is permissible to charge different prices to companies which, because they perform different functions in the distribution scheme, don't compete with one another. This reflects the fact that, to prove a violation of the Act, the discrimination in price must be shown to have had an adverse impact on competition.

The most obvious example of situations in which functional discounts fit are wholesalers and retailers. If the wholesalers don't compete directly with the retailers, the discount to wholesalers cannot injure competition between the two levels. However, if there is a situation where a "wholesaler" does directly compete with a retailer, the discount price may be a violation of the Act.

Complications arise where a buyer performs both wholesaling and retailing functions -- in some situations it acts as a wholesaler and in others as a retailer. Here divisions should consider establishing a system (possibly involving after-the-fact reports form buyers) to ascertain what sales were in each capacity and retroactively adjust the prices accordingly.

Another approach would be to compensate buyers on the basis of services which are performed for us -- the manufacturer. A commission or allowance for services directly benefiting a manufacturer is allowed under Section 2(c) of the Robinson-Patman Act. For example, you may give an additional discount or allowance to distributors which:

- (a) stock your products in accordance with your specified criteria;
- (b) service the products and carry spare parts in accordance with specified criteria;
- (c) gather market data and report it to you; or
- (d) participate in trade promotions to retailers.

The additional discount or allowance should be reasonably related to the cost of the service provided by the distributor and must be uniformly applied.

Long-Term Contracts

There may be justifiable differences in prices charged between single transactions and those made under long-term contracts if the differences in price are reasonable in light of the benefit to the seller in being able to plan his production, etc., and if the long-term contract approach is made available to all.

Cost Justification

Section 2(a) of the Act provides that nothing shall prevent differentials in price which make only due allowances for differences in the cost of manufacture, sale or delivery. The following points should be kept in mind in applying the cost justification theory:

(a) Volume discounts may be granted, however, they must be justifiable in relation to the savings in manufacture, sale or delivery.

(b) Lower prices to national accounts may be cost justified because of possible lowering of expenses to sell and service these accounts as opposed to smaller regional accounts.

(c) It is not necessary to show an absolute mathematical identity between the cost saved and the difference in price given, however, the relationship must be a reasonable one and the difference in price cannot greatly exceed the actual costs which are saved.

Changing Market Conditions

It is not a violation of the Robinson-Patman Act to institute price differences in response to changing conditions affecting the market or goods such as actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process or sales in the discontinuance of a line of goods.

Meeting Competition

Section 2(b) of the Act states that if the seller shows that his price to a customer was made in good faith to meet an equally low price of a competitor, there would not be a violation. You must show that you are meeting what you believe to be a lower price of a competitor of yours and you must attempt to verify to some extent the fact that your competitor came in with that lower price. However, you are not to have any direct contacts with your competitors on the subject of price. As long as there is a reasonable and individualized response to a given price situation made in good faith the meeting competition defense will probably be available.

Advertising Allowances

Sections 2(d) and (e) of the Robinson-Patman Act prohibit discrimination in advertising allowances or services. Under current law, the advertising allowances which are granted by a seller have to be granted not only to direct customers but to competitors of those direct customers who may have acquired the product indirectly, such as through independent wholesalers. In other words, promotional allowances must be granted to all competing sellers who deal in that product whether they purchase directly from the company or indirectly through a wholesaler.

Any plan for advertising allowances or other merchandising promotional services should adhere to the following general criteria:

(a) The allowances or payment should be available on proportionately equal terms to all competing customers. As sellers we must take the initiative to inform all competing customers of the existence and the essential features of any such plan; and

(b) We should take reasonable precautions to see that the services that we are trying to encourage are actually performed and that we are not overpaying for them.

Buyer Violations

As a buyer, we should make all negotiations involving price depend on the economics of the transaction. We should be alert for a seller who raises Robinson-Patman arguments as a fictitious reason for not being able to grant price concessions. If the seller tries to raise these issues, the best thing to do is to simply tell him you are not interested in discussing his legal problem. In any case where a seller or potential seller raises Robinson-Patman or other legal questions to the level of any written letter or serious discussion, be sure to contact the Legal Department for advice.

We should be especially careful to avoid any conduct in negotiations on price which could be construed as misrepresenting the quotations we have received from other sources. Whatever the technical rules are on the Robinson-Patman Act, courts will usually find a rationale for finding someone guilty of a violation if they have engaged in this kind of conduct.

ATTACHMENT III

POLICY STATEMENT ON SANCTIONS AND TRADE EMBARGOS
(Boycott Laws)

The United States government uses economic sanctions and trade embargoes to further various foreign policy and national security objectives. Employees must abide by all economic sanctions or trade embargoes that the United States has adopted, whether they apply to foreign countries, political organizations or particular foreign individuals and entities. Employees may not engage in or support a restrictive trade practice or unsanctioned boycott against a foreign country, firm, individual or entity. Prohibited conduct includes providing information regarding race, religion, sex or national origin of a person. Inquires regarding whether a transaction on behalf of the Company complies with applicable sanction and trade embargo programs should be referred to the Legal Department.

The general rule is that U. S. companies and their foreign subsidiaries cannot "participate in or cooperate with" the unsanctioned (not sanctioned by the U. S. government) international boycotts. We must refuse to take actions (including the furnishing of information or entering into or implementing agreements) which have the effect of furthering or supporting boycotts.

More specifically this means that we <u>cannot</u>:

1. refuse to do business in support of an unsanctioned boycott (i.e. a boycott not sanctioned by the U. S. government;

2. do business with an embargoed company, individual or entity listed on the U. S. government’s debarred parties list;

3. do business with any party known to be acting in violation of U. S. or foreign laws and regulations;

4. do business with arms proliferation-related buyers or end users or parties named on the Department of Commerce’s Entity List;

5. do business with a party who refuses to do business or discriminates with another country or entity in support of an unsanctioned foreign boycott; or

6. pay a letter of credit which does any of the above.

Review of Documents

The key point to remember for divisions which do business with boycotting countries (see list below) is that all documents relating to such sales must be reviewed carefully. Your employees

(including employees of foreign units) who handle sales and credit should be made aware of this sensitive area and, in particular, the importance of reviewing all contracts, purchase orders, letters of credit, etc. pertaining to sales to boycotting countries should be emphasized.

Permissible Agreements

The following are some examples of provisions which can be agreed to in contracts and letters of credit:

1. The goods are wholly produced in (country).

2. The goods will not be shipped on an Israeli flagship, on a ship owned, controlled, operated, leased or chartered by Israel, on a ship which during the voyage will call at an Israeli port en route to or from Buyer's port or on a ship owned by Israeli companies or Israeli nationals.

3. The goods will be shipped only on a ship registered in the Buyer's country.

4. The goods will be shipped and/or insured by companies specified by the Buyer.

5. The laws of Buyer's country "will apply" or "will govern" the transaction.

Prohibited Agreements

On the other hand, the following cannot be agreed to:

1. The goods are not of Israeli origin.[1]

2. The goods are not comprised of any raw materials or labor of Israeli origin.

3. We cannot agree not to use blacklisted suppliers, shippers or insurers.

4. We cannot state that no Israeli capital is involved in the production of the goods.

5. We cannot state that we are not a firm on the Israeli boycott blacklist.

6. We cannot agree to "comply" with the laws of Buyer's country if those laws contain boycott restrictions.

These lists of permissible and prohibited agreements and statements are not complete. Therefore specific language which does not come precisely within these examples should be referred to the Legal Department.

[1] This statement may be made by foreign subsidiaries in transactions which have no impact on "U. S. Commerce." See next footnote.

Reporting Requirements - Tax Law

The U.S. Internal Revenue Code requires us to report, on an annual basis, all "operations" in or "related to" boycotting countries. Standex will make this report on its U.S. tax return for all domestic and foreign units.

The term "operations" is defined to include all forms of business or commercial activities, including sell, purchasing, leasing, licensing, extracting, processing, manufacturing, producing, constructing or transporting.

Our operations are "related to" a boycotting country even if they are carried on outside the boycotting country if they are either for or with the government, a company or a national of that country of if we have reason to know that the goods, services or funds produced by the operation are intended for use in that country or for use by the government, a company or a national of that country or for use in forwarding or transporting to that country.

Each year a form will be distributed as part of the pro forma documents in order to obtain this information.

Reporting Boycott Requests

The Export Administration Act and its regulations require the reporting of all requests received by Standex and its domestic subsidiaries for information or for agreements pertaining to international boycotts to the Commerce Department. Boycott related requests received by foreign subsidiaries are only reportable if they pertain to transactions involving U. S. Commerce.[2]

The general rule is that all boycott-related requests relating to U. S. Commerce are reportable even though the action requested is not prohibited. Any such requests should be reported to the Legal Department.

Divisions with foreign operations should pass this information on to appropriate personnel overseas and compliance should be monitored.

[2] This phrase "U. S. Commerce" is defined very broadly in the regulations. If goods are acquired from the U. S. and merely resold, "U. S. Commerce" is involved, but if raw materials are acquired from U. S. and manufactured into a substantially different product, U. S. Commerce is deemed not to be involved. However, if a substantially different product is not manufactured, the U. S. components will result in a "U. S. Commerce" involvement only if the order for the components is placed after the order for the finished product is received.

ATTACHMENT IV

EQUAL EMPLOYMENT OPPORTUNITY POLICY

The Company is committed to Equal Employment Opportunity as its policy and practice. This policy makes good business sense. It is in our Company's best interests to utilize the skills and abilities of our personnel to the fullest extent without regard to factors unrelated to job performance. It is each manager's and supervisor's responsibility to understand the wisdom and necessity for this policy and to do his or her share to carry it out.

Specific objectives of our policy are to:

1. Ensure that the concepts of Equal Employment Opportunity are understood and utilized by all managers and supervisors; and

2. Ensure that non-harassment and nondiscrimination concepts are understood, utilized and enforced by all managers and supervisors.

Our policy of Equal Employment Opportunity is to:

1. Recruit, hire, train and promote persons in all job classifications without regard to race, color, sex, sexual orientation, religion, creed, age, marital status, national ancestry, disability, national origin, military status or any other legally protected status.

2. Ensure that all personnel actions such as compensation, benefits, transfers, terminations, layoffs, return from layoff and any social or recreational programs, will be administered in accordance with the principles of Equal Employment Opportunity.

In addition to a commitment to provide equal employment opportunities to all qualified individuals, the Company will establish and maintain, where required, Affirmative Action Programs, in accordance with any obligations it may have as a government contractor, to promote opportunities for qualified women, minorities, disabled individuals, disabled veterans and veterans of the Vietnam era.

It is also the Company's policy that discrimination or harassment on the basis of race, color, sex, sexual orientation, religion, creed, age, marital status, nationality, ancestry, disability, national origin, military status or any other legally protected status will not be tolerated in the workplace. Such discrimination or harassment is an unacceptable and unlawful form of misconduct, which undermines the integrity of the employment relationship. All employees are responsible for ensuring that the workplace is free from such discrimination or harassment by employees and non-employees such as vendors, contractors, consultants and visitors.

To ensure compliance with this policy, please feel free to direct any questions or concerns about this policy or about a specific fact situation to the attention of your supervisor, department

manager or plant manager. If you are uncomfortable discussing the matter on a local basis, please call the Standex Vice President, Human Resources or the Standex General Counsel at 603-893-9701. All complaints will be promptly investigated in as confidential a manner as possible for such an investigation. If an employee is not satisfied with the conclusion of an investigation, he or she may request in writing that the matter be reviewed by the appropriate Division President.

An employee, whether supervisory or non-supervisory, whom the Company finds to have acted in violation of this policy will be subject to disciplinary sanctions to ensure compliance with this policy. Such disciplinary sanctions, depending upon the circumstances, may include written reprimand, suspension or termination of employment.

An employee filing a claim or complaint, in good faith, under this policy will be protected from retaliatory action. Everyone should understand that retaliation in any form against an employee who has complained about equal employment opportunity issues, and retaliation against any individuals cooperating with any investigation of an equal employment opportunity claim, is unlawful and will not be tolerated by the Company.

Our Company takes this matter very seriously and the filing of a false claim, interfering with an investigation or providing of false information during the investigation of a claim will be subject to disciplinary sanctions, up to and including termination.

ATTACHMENT V

SEXUAL HARASSMENT POLICY

Standex is committed to maintaining a work atmosphere that is free from all forms of sexual harassment. Sexual harassment undermines the integrity of the employment relationship and will not be tolerated. All employees are responsible for ensuring that the workplace is free from sexual harassment by employees and non-employees such as vendors, contractors, consultants and visitors.

Simply stated, “sexual harassment” refers to any behavior, remarks, physical contact or gestures of a sexual nature which are personally offensive, intimidating or humiliating, debilitate morale, interfere with work effectiveness or impugn the dignity of an employee.

Behavior including unwelcome sexual advances, request for sexual favors and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

1. submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment;

2. submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or

3. such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, humiliating or offensive working environment.

Examples of such prohibited conduct include, but are not limited to:

- sexual flirtations or advances (whether they involve physical touching or not) which are not welcomed;

- verbal abuse of a sexual nature such as lewd comments, sexual jokes or sexual references, references concerning an individual's sexual conduct or sexual experiences;

- inappropriate, graphic or degrading comments or gestures about a person or their appearance;

- the display of any sexually suggestive pictures, graphics, cartoons or objects;

- demeaning, insulting, intimidating or sexually suggestive messages communicated in writing or through phone calls, voice mail messages, text messages, e-mails or any other electronically transmitted means; and

- any unwelcome, offensive, abusive or coerced physical contact, including touching, pinching, brushing against another's body, kissing or hugging.

All such conduct, whether committed by supervisory or non-supervisory personnel, non-employees or by employees of the same or different genders, is prohibited and is not condoned by the Company and should be reported immediately.

If you know of any incident of sexual harassment covered by this policy or have any questions or concerns about this policy or about a specific fact situation, please bring the matter or complaint to the attention of your supervisor, department manager or plant manager. If you are uncomfortable reporting any incident on a local basis, or if a supervisor is involved in the harassing behavior, please call the Standex Vice President, Human Resources or the Standex General Counsel at 603-893-9701. All complaints will be promptly investigated in as confidential a manner as possible for such an investigation. If an employee is not satisfied with the conclusion of an investigation, he or she may request in writing that the matter be reviewed by the appropriate Division President.

An employee, whether supervisory or non-supervisory, whom the Company finds to have sexually harassed another employee in violation of this policy will be subject to disciplinary sanctions to ensure compliance with this policy. Such disciplinary sanctions, depending upon the circumstances, may include written reprimand, suspension or termination of employment.

An employee filing a claim or complaint, in good faith, under this policy will be protected from retaliatory action. Everyone should understand that retaliation in any form against an employee who has complained about sexual harassment, and retaliation against any individuals cooperating with any investigation of a sexual harassment claim, in unlawful and will not be tolerated by the Company.

Our Company takes this matter very seriously and the filing of a false claim, interfering with an investigation or providing of false information during the investigation of a claim will be subject to disciplinary sanctions, up to and including termination.

ATTACHMENT VI

POLICY STATEMENT REGARDING USE OF COMPUTER SYSTEMS, INCLUDING E-MAIL AND INTERNET

Every employee is responsible for using the Company's computer system, including, without limitation, its electronic mail (E-mail) system and the Internet (collectively, the "Computer System"), properly and in accordance with Company policies. Any questions about these policies should be addressed to the employee's immediate supervisor.

When employees are required to take data, software and hardware off premises in order to complete their job responsibilities, it is important to clearly identify the ownership, permitted usage and confidential nature of these assets.

Software utilized on PCs are licensed by the Company, its subsidiaries and/or divisions from outside vendors. Software usage must comply with applicable provisions of the respective license agreements relating to specific software.

Standex employees are not permitted to install their own copies of any software onto Standex PCs. Further, Standex employees may not copy software from Standex PCs and install it on home or any other computers.

Under U. S. and Canadian Copyright law, unauthorized reproduction of software is a federal offense subject to civil damages of as much as US$ 100,000 per title copied, criminal penalties, including fines (up to US $250,000 or CN $1,000,000 per work copied) and imprisonment (up to 5 years per title copied).

Unauthorized duplication of software is specifically prohibited. Any Standex employee who knowingly makes, acquires or uses unauthorized copies of computer software licensed to either Standex or a subsidiary or division or who places or uses unauthorized software on Standex equipment shall be subject to appropriate disciplinary measures.

General

The Company provides electronic mail to employees at Company expense for their use in performing their duties for the Company. This Policy Statement sets forth the Company's instructions on proper use of this electronic mail (“E-mail”) system. It also sets forth the Company's policy regarding under what circumstances E-mail messages addressed to one person may be accessed by other people within the Company and when they may be disclosed to outsiders. The Company reserves the right to change these policies at any time, with such notice as the Company deems appropriate.

E-mail On The File Server

All E-mail messages are stored in a database on a network file server. There is no limit on the number of messages that a user can have. All unread message titles are indexed in the user's "inbox". The user has the option of leaving read messages indexed in their "inbox" or organizing them into "folders". A user can also "archive" a message to their hard disk or diskette, or delete the message from the system. Only deleted and archived messages are removed from the E-mail database. Retaining a large number of messages can slow down the operation of the E-mail system significantly, therefore, it is recommended that only current mail reside on the file server.

Prohibitions of E-Mail Usage

The E-mail system should not be used to transmit messages (in visual, textual or auditory formats) that contain vulgar, profane, insulting, offensive, intimidating, harassing or generally disruptive contents. Prohibited message contents would include, but would not be limited to, sexual comments or images, racial slurs, gender-specific comments or any comments that would interfere with the ability of others to conduct Company business or which would offend someone on the basis of his or her race, age, sex, sexual orientation, religious or political beliefs, national origin or disability.

No E-Mail shall be sent which attempts to hide the identity of the sender or which misrepresents the sender as being someone else.

Anyone receiving an inappropriate message or learning of a user who is improperly using the Company's E-mail should immediately bring the matter to the attention of their supervisor.

Employees shall not use the Company's computer system to gain unauthorized access to data or to attempt to breach any security measures on any electronic communication system.

Access to E-Mail

Employees should keep in mind that when they are using E-mail they are creating Company documents using a Company asset. These documents, like the purchase orders, correspondence and other documents you create while performing your job, are not private and may be read by others at the Company or outside the Company under the appropriate circumstances. Please use professional, courteous language that will not embarrass you or the Company. Additionally, employees should be aware that even though a message may be deleted from the E-mail system, a record of it may remain on the computer system either on the daily backups of all data or in other ways. The Company asks that all employees keep these guidelines in mind, and exercise the appropriate discretion in using the E-Mail system.

Access to E-Mail Messages

Employees should be aware that E-mail messages, like Company correspondence, may be read by other Company employees or outsiders under certain circumstances, similar to the circumstances under which the Company may need to access your other business files and information. While it is impossible to list all of the circumstances, some examples are the following:

(a) During regular maintenance of the E-mail system.

(b) When the Company has a business need to access an employee's mail box. This could arise if an employee is absent from the office and their supervisor has reason to believe that information relevant to the day's business is located in the employee's electronic mail box.

(c) The Company receives a legal request to disclose E-mail messages from law enforcement officials or in ongoing legal proceedings.

(d) The Company has reason to believe that the employee is using E-mail in violation of Company policies. Such policies include, but are not limited to, the policy against illegal and unauthorized copying of software, prohibitions of E-mail usage set forth in Section 3 above and any attempt to access unauthorized data or otherwise breach any security measures on the Company’s computer system.

Personal Use

The E-mail system is a business asset of the Company that is provided to you as a business communications tool. Personal use of the E-mail system is a privilege, not a right. The privilege may be revoked at any time by the Company. Employees should only make incidental use of the E-mail system to transmit personal messages. Please use good judgment and minimize the amount and frequency of personal use. Personal messages will be treated no differently than other messages, and may be accessed, reviewed, copied, deleted or disclosed. Accordingly, when sending a message, always remember that the E-mail system is not a private communication system (even though passwords are used for security reasons), and you should not expect that a message will never be disclosed to or read by others beyond its original intended recipients. The E-mail system is not intended to be used as a personal bulletin service. Solicitations, offers to buy and sell goods or services and other personal messages to large groups via the E-mail system are prohibited.

Confidential Information

Business Information. Company policy requires that all employees protect the integrity of the Company's proprietary and confidential information as well as the proprietary and confidential information of others. Employees must exercise a greater degree of caution in

transmitting Company trade secrets or other confidential information on the E-mail system than with other communication means because of the reduced effort required to redistribute such information. Company trade secrets or confidential information should never be transmitted or forwarded to outside individuals or companies not authorized to receive that information, and should not even be sent or forwarded to other employees inside the Company who do not have a "need to know" the information. To reduce the chance that trade secrets or confidential information may inadvertently be sent to outsiders or the wrong person inside the Company, please minimize the use of distribution lists when sending such information (and make sure that any lists used are current) and review each name on any list of recipients before sending to ensure that all recipients truly have a need to know the information.

E-mail messages that contain trade secrets or other confidential information should have a confidentiality legend in all capital letters at the top of the message in a form similar to the following:

"THIS MESSAGE CONTAINS CONFIDENTIAL INFORMATION AND TRADE SECRETS OF STANDEX INTERNATIONAL CORPORATION

UNAUTHORIZED USE OR DISCLOSURE IS PROHIBITED."

Since copies of E-mail may be placed on back-up or other systems you do not control, and may be under certain circumstances be accessed by MIS personnel or others without a need to know the information, you should keep in mind that E-mail in most instances may be inappropriate to communicate certain types of confidential information.

In addition, in order to minimize inadvertent disclosures, employees should not access their E-mail messages for the first time in the presence of others. Messages containing Company trade secrets or confidential information should not be left visible on the monitor when a user is away from his or her computer.

Messages to Legal Counsel. All messages to and from legal counsel (both in-house and outside counsel) seeking or giving legal advice should be marked with the following legend in all capital letters at the top of the message:

"CONFIDENTIAL ATTORNEY/CLIENT PRIVILEGED COMMUNICATION

UNAUTHORIZED USE OR DISCLOSURE IS PROHIBITED."

In addition, in order to preserve the attorney-client privilege, messages to counsel should never be sent to a distribution list, should never be forwarded to anyone else, and should never be retained on the E-mail system. If a copy of an attorney-client privileged communication needs to be retained, it should be printed and filed in the appropriate file.

Copyright Infringement

The ability to attach a document or an executable program file to an E-mail message for distribution greatly enhances the risk of copyright infringement. A user can be liable for the unauthorized copying and distribution of copyrighted material through an E-mail system. Accordingly, you should not copy and distribute through the E-mail system any copyrighted material of a third party (such as software, database files, documentation, articles, graphics files and down-loaded information) unless you have confirmed in advance from appropriate sources that the Company has the right to copy or distribute such material. Any questions concerning these rights should be directed to the Company's Legal Department.

Electronic Mail Messages to Other Countries

It is anticipated eventually all Standex operations worldwide will be connected to the E-mail system over the next few years. We wish to take this opportunity to remind all employees that an E-mail message sent to locations outside the United States is considered an export by the United States Department of Commerce, Bureau of Export Administration. The same rules that apply to any other export apply to E-mail messages. Therefore, if you are required to obtain a export license to send a software program, drawings or technical data on diskette to a foreign country, you must follow these same requirements to export such data on the E-mail system. Please contact the Legal Department if you have any questions regarding this matter.

Management of Electronic Mail System

Deletion of messages. The Company strongly discourages the storage of large numbers of E-mail messages. Retention of messages fills up large amounts of storage space on the network server, and can also slow down performance. In addition, because E-mail messages can contain Company confidential information, it is desirable to limit the number, distribution and availability of such messages.

Deletion by users. As a general rule, if a message does not require specific action or response on your part, you should delete it promptly after reading it. If the content of the message needs to be saved for longer than a week, it should be placed in a folder, archived to a local hard disk or diskette or printed out and saved in the appropriate file. Please review your messages every week and delete those that are not needed. Generally, all messages, message logs, bulletin board messages and private folder messages should be deleted after a reasonable period of time which should, in most instances, not exceed ninety (90) days. Any messages requiring longer retention must be archived from the E-mail database by the individual user.

Discipline

Employees violating this policy are subject to discipline, up to and including termination of employment. Likewise, employees using the Company's E-mail system for defamatory, illegal, or fraudulent purposes also are subject to civil liability and criminal prosecution.

General - Internet

The Company provides Internet access to employees at Company expense for their use in performing their duties for the Company. This Policy Statement sets forth the Company's instructions on proper use of the Internet (the "Internet"). The Company reserves the right to change these policies at any time, with such notice as the Company deems appropriate.

Prohibitions of Internet Access

The Internet should not be used to view, download, copy, post, access or transmit or receive information (in visual, textual or auditory formats) that contains illegal, obscene, vulgar, profane, insulting, offensive, threatening, harassing or generally disruptive contents. Prohibited contents would include, but would not be limited to, sexual comments or images, racial slurs, gender-specific comments or any comments that would interfere with the ability of others to conduct Company business or which would offend someone on the basis of his or her race, age, sex, sexual orientation, religious or political beliefs, national origin or disability.

No employee shall access the Internet using someone else's password unless specifically authorized to do so or attempt to hide their identity on the Internet.

Anyone receiving any inappropriate message or information or learning of a user who is improperly using the Internet should immediately bring the matter to the attention of their supervisor.

Employees shall not use the Company's computer system or the Internet to gain unauthorized access to data or to attempt to breach any security measures on any electronic communication system.

Access to the Internet

Employees should keep in mind that when they are using the Internet they are in effect, placing and retrieving information on the Internet on the Company's behalf. Information on an employee's usage of the Internet (including the content of messages) is not private and may be read, intercepted or accessed by others at the Company or outside the Company under the appropriate circumstances. The Company asks that all employees keep these guidelines in mind, and exercise the appropriate discretion in using the Internet. Additionally, employees should refer to the Company's Internet Best Practices Guidebook.

Access to Internet Use. Employees should be aware that the Internet does not provide privacy. All the major Internet access providers can monitor Internet use. While it is impossible to list all of their capabilities, some examples are the following:

a) Read and track bulletin board postings.

b) Track news group subscription lists.

c) Record web site visits and the length of the visit.

d) Monitor any other services that users access.

Personal Use. Access to the Internet is a business asset of the Company that is provided to you as a business communications tool. Personal use of the Internet is a privilege, not a right. The privilege may be revoked at any time by the Company. Employees should only make incidental personal use of the Internet. Please use good judgment and minimize the amount and frequency of personal use. Personal use will be treated no differently than other use, and may be accessed, intercepted, monitored or disclosed. Accordingly, when using the Internet, always remember that it is not a private communication system (even though passwords are used for security reasons), and you should not expect that a message or information will never be disclosed to or read by others. Solicitations, offers to buy and sell goods or services and other personal messages to large groups via the Internet are prohibited.

Confidential Information

Company policy requires that all employees protect the integrity of the Company's proprietary and confidential information as well as the proprietary and confidential information of others. Company trade secrets or confidential information should never be transmitted or forwarded to outside individuals or companies not authorized to receive that information, and should never be posted to any discussion groups or bulletin boards on the Internet.

Copyright Infringement

The ability to download, post and access a document or an executable program file on the Internet greatly enhances the risk of copyright infringement. A user can be liable for the unauthorized copying, downloading and distribution of copyrighted material through the Internet. Accordingly, you should not copy, download or distribute through the Internet any copyrighted material of a third party (such as software, database files, documentation, articles, graphics files and down-loaded information) unless you have confirmed in advance from appropriate sources that the Company has the right to copy, download or distribute such material. Any questions concerning these rights should be directed to the Company’s Legal Department.

Downloading Information

Any employee wishing to download a document, file or software from the Internet must observe Company policies and procedures for virus checking and system security. Any questions concerning these issues should be directed to the Company's MIS Department.

The Internet and Other Countries

We wish to take this opportunity to remind all employees that the Internet provides access to locations outside the United States. Any message or information sent outside the United States is considered an export by the United States Department of Commerce, Bureau of Export Administration. The same rules that apply to any other export apply to the Internet. Therefore, if you are required to obtain an export license to send a software program, drawings or technical data on diskette to a foreign country, you must follow these same requirements to export such data on the Internet. Please contact the Legal Department if you have any questions regarding this matter.

Discipline

Employees violating this policy are subject to discipline, up to and including termination of employment. Likewise, employees using the Internet for defamatory, illegal, or fraudulent purposes also are subject to civil liability and criminal prosecution.

Please indicate that you have received, read and will abide by this statement of policy by signing your name and dating the attached acknowledgment and returning it promptly to your supervisor.

ACKNOWLEDGMENT

I certify that I have received and read and that I will abide by the Standex International Corporation Code of Conduct distributed to me on ___________ ____, 20___.

____
(signature)

____
(print your name)

____
Division

Date: ______________________________