

Bay State Milling Code of Business Conduct

As a multigenerational, family-owned business, Bay State Milling Company (“BSM”) has been guided by its core purpose, core values and a clear code of ethics. This document, the Bay State Milling Code of Business Conduct (“Code”), outlines our ethics and covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees and officers of the Company (Company includes Bay State Milling Company and all its subsidiaries). All of our employees and officers must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The Code should also be provided to and followed by the Company’s agents and representatives.

If a law conflicts with a policy in this Code, you must comply with the law. Alternatively, if a local custom or policy conflicts with this Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation. Employees and officers are responsible for understanding the legal and policy requirements that apply to their jobs and reporting any suspected violations of law, this Code, or Company policy.

Those who violate the standards in this Code will be subject to disciplinary action, including possible dismissal. Furthermore, violations of this Code may also be violations of the law and may result in civil or criminal penalties for you, your supervisors and/or the Company. If you are in a situation which you believe may violate or lead to a violation of this Code, follow the procedures set out in Section 10 of this Code.

The basic principles discussed in this Code are subject to any Company policies covering the same issues.

As a BSM Employee, I will:

1. Comply with laws, rules and regulations of the locations in which we operate.

Obeying the law, both in letter and in spirit, is the foundation on which this Company’s ethical standards are built. All employees and officers must respect and obey the laws, rules, and regulations of the cities, states, and countries in which we operate. Although employees and officers are not expected to know the details of each of these laws, rules and regulations, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

2. Not use corporate property, information or position for personal gain and no employee or officer may compete with the Company directly or indirectly.

Employees and officers are prohibited from taking opportunities that are discovered through the use of corporate property, information or position for themselves without the consent of the board of directors. No employee or officer may use corporate property, information or position for personal gain and no employee or officer may compete with the Company directly or indirectly. Employees and officers owe a duty to the Company to advance the Company’s interests when the opportunity to do so arises.

3. Compete fairly and honestly and deal fairly with all stakeholders including, but not limited to, customers, suppliers, colleagues, business partners, the Board of Directors and shareholders.

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee and officer should endeavor to respect the rights of and deal fairly with the Company’s customers, suppliers, competitors and employees.

No employee or officer is permitted to engage in price fixing, bid rigging, allocation of markets or customers, or similar illegal activities.

To maintain the Company’s valuable reputation, compliance with our quality assurance processes and safety requirements is essential. All inspection and testing documents must be handled in accordance with all applicable specifications and requirements.

- 4. Not offer, give, provide or accept any gift or entertainment unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is reasonable in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws, regulations or applicable policies of the other party's organization.**

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. Please discuss with your supervisor any gifts or proposed gifts that you are not certain are appropriate.

- 5. Not make political contributions on behalf of the Company.**

Except as approved in advance by the Company Chief Executive Officer or Company President, the Company prohibits political contributions (directly or through trade associations) by the Company or its business units. This includes: (a) any contributions of Company funds or other assets for political purposes; (b) encouraging individual employees to make any such contribution; or (c) reimbursing an employee for any contribution.

Individual employees are free to make personal political contributions as they see fit.

- 6. Follow all applicable environmental laws and regulations.**

The Company expects its employees and officers to follow all applicable environmental laws and regulations. If you are uncertain about your responsibility or obligation, you should check with your supervisor, the Vice President of Finance or the Company President for guidance.

- 7. Protect the Company's assets and ensure the proper use of Company Assets.**

All employees and officers should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets are to be used for legitimate Company purposes. Any suspected incident of fraud or theft should be immediately reported for investigation. Company assets should not be used for non-Company business.

The obligation of employees and officers to protect the Company's assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information, and any unpublished financial data and reports. Unauthorized use or distribution of this information is a violation of Company policy. It could also be illegal and result in civil or criminal penalties.

- 8. Talk to my supervisor, a BSM manager or other appropriate BSM personnel about observed behavior that I believe may be illegal or a violation of this Code or Company policy or when I am in doubt about the best course of action in a particular situation.**

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed behavior that they believe may be illegal or a violation of this Code or Company policy or when in doubt about the best course of action in a particular situation. It is the policy of the Company not to allow retaliation for reports of misconduct by others made in good faith by employees.

- 9. Cooperate in internal investigations of misconduct.**

Employees are expected to cooperate in internal investigations of misconduct. Working together to establish facts and learn the truth is integral to maintaining our core values.

