

CODE OF CONDUCT

INTRODUCTION

ReCoila Pty Ltd (“ReCoila”) is a major force in the market for hose and cord reels.

ReCoila’s success in the market place stems in part from its unparalleled relationship to suppliers as well as to its customers. ReCoila’s unique products, combined with our experience and expertise, allows it the opportunity to provide highly beneficial and highly cost efficient products to its broad range of customers.

ReCoila presently serves the greater majority of the Australian market. ReCoila strives to meet the highest standards of service in its dealings with customers, others in industry and with its own workforce.

This Code aims to clearly outline the standards of behaviour and conduct expected of you as a person who is either an employee of ReCoila or else a contractor engaged by ReCoila. It will also assist you when making judgments about what are the appropriate steps to take in various situations that may confront you and it sets out some important terms of your relationship with ReCoila.

The Code applies to everyone working at ReCoila, whether you are employed or contracted, whether you are full-time, part-time, or on a temporary or casual basis. You should make sure you are familiar with the Code and use it as a reference for determining what is acceptable conduct from the corporate viewpoint.

It is our policy to continuously review our Code of Conduct to make sure it reflects contemporary standards and issues.

Please sign and return a copy of this letter to indicate your acceptance of the Code attached.

MHPawson

Michael Pawson
Managing Director

1st July 2008

Your Full name:

Please Print in block letters

Your Signature:

Date:

INTRODUCTION TO CODE OF CONDUCT

PRINCIPLES

There are five major principles behind the Code:

- **Confidentiality**

All people dealing with ReCoila are entitled to have their information securely protected by ReCoila and by RECOILA's workforce and business associates, all of whom must at all times be conscious of the privacy and confidentiality obligations owed to the owner of the information. We are being entrusted with valuable and commercially sensitive information.

- **Integrity**

All parties dealing with RECOILA have the right to expect that the company operates with the highest level of integrity and treats all people fairly, honestly and equally. All parties are entitled to expect honest, prompt, efficient and effective advice and service from all RECOILA staff.

- **Staff Rights**

RECOILA employees are entitled to expect that their rights as an individual are respected. Staff are entitled to be treated fairly, honestly and respectfully by managers, supervisors and colleagues.

- **Customer Service**

All Customers of RECOILA have the right to expect high quality service in their dealings with us.

- **Protection of RECOILA's commercial interests**

RECOILA's highly valuable and commercially sensitive Confidential Information is at all times to be protected.

INTERPRETATION

The statements following in the Code provide detailed guidance on how you are expected to apply the standards in practice as an employee/contractor of RECOILA. You will notice that they begin with the word "I". This is because the Code seeks your commitment to RECOILA as an individual. If you are not clear about what is expected in any area, you should seek clarification from your manager or supervisor, or from the Managing Director.

When the code refers to an "employee", it is intended to include reference to a contractor and anyone else providing services for RECOILA or who is doing work for RECOILA. Similarly "employment" refers also to any contractor agreement.

Any reference to "RECOILA" is a reference to ReCoila Pty Ltd, its subsidiaries, and includes any entity that assumes the operation of any business conducted by RECOILA and any entity which is a subsidiary of RECOILA, as well as any entity which is subject to substantially the same management as ReCoila Pty Ltd.

The "Confidential Information" of RECOILA includes (without limitation) all financial information, business details, methods of operation, techniques, trade secrets, know how, financial records and accounting information, contracts, deeds and other documentation, business plans, budgets, customer lists, suppliers, pricing details, licences, marketing strategies, processes, customer development materials and documents, sales and marketing information, price lists, details of customers and potential customers, business development plans, concepts (including those not reduced to material form), manuals and catalogues, reports, memoranda, letters, analysis and specifications, details of trading activities (whether current or prospective and whether in Australia or elsewhere), and source and object codes and other proprietary software and all intellectual and industrial property rights, business plans or any part of the business strategies of RECOILA, and of any other related entity, and all similar information pertaining to any customer of RECOILA, ALL of which are agreed to be confidential, highly sensitive and of considerable value.

Information is Confidential information: -

- a) whether or not marked "Confidential", "Proprietary" or "For Internal Use Only" or whether contemporaneously or similarly described as such;
- b) whether oral or in writing;
- c) whether written, graphic, oral, or recorded or stored by electronic, magnetic, electromagnetic optical or other retrievable means; and
- d) irrespective of whether such information came to the attention of others.

All intellectual and industrial property rights, all Confidential Information and all materials on which the Confidential Information is recorded, are and shall remain the property of RECOILA.

A "RECOILA customer" or a "Customer of RECOILA" is any person, firm or corporation who was a customer of RECOILA for the three year period prior to the date you cease working for RECOILA and also includes suppliers of goods and services to RECOILA, and suppliers of utilities.

Unless the context otherwise requires, singular words include the plural and vice versa and reference to any gender includes all genders.

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CONFLICTS OF INTEREST

A conflict of interest arises when you are influenced, or could be seen to be influenced, by your personal associations or activities. Often you will be the only person who knows that there is a possible conflict of interest, therefore it is up to you to disclose it. As a general rule, it is always preferable to disclose a possible conflict. Disclosure will be kept confidential and can do no harm, whereas a great deal of damage may be done if you have not disclosed matters which may embarrass or adversely affect the integrity of RECOILA. Sometimes you may have to make decisions or make selections and in doing so you may have to participate in committees. Some of those committees may only involve one person, you. Irrespective, you must at all times act impartially and properly.

I must ensure that no opportunities exist for my interests, or those of people close to me, to conflict with the impartial performance of my duties at RECOILA. In considering whether or not I have a possible conflict of interest, it is always important to think about how others would view my situation.

I will advise the Managing Director or his delegate in writing if I, any family member or close friend, has personal interest in, or association with any organisation or individual, which may, or may appear to place me in a position of having a conflict of interest.

If, as a member of a selection committee, I discover that circumstances exist which could unduly affect an applicant's prospect for selection were I to remain a member of the committee (e.g. a friend or relative is an applicant for the position), I will withdraw from that committee. Otherwise, I will ensure that my assessment of applicants is fair and unbiased.

As a member of a tender evaluation committee if requested by RECOILA I will sign a statement indicating that I do not have any business or other association with any of the tenderers being considered.

In the performance of my duties for RECOILA and in dealings with customers of RECOILA, I will do my utmost to assist RECOILA to act in the best interests of RECOILA customers.

OTHER EMPLOYMENT AND BUSINESS

If you are not an independent contractor with numerous customers of your own, then unless you have prior written approval from RECOILA you may not engage in other work outside your official duties at RECOILA. The Managing Director can provide details of the conditions under which consideration of outside employment may be given. These apply to all staff

whether your job with RECOILA is full-time, part-time, temporary or casual and covers situations where an employee of RECOILA conducts his or her own business or is employed outside RECOILA.

In all cases where outside work is considered, your employment with RECOILA should be the prime consideration and any situations which may give rise to, or give the appearance of a conflict of interest, should be avoided. For example, staff will not be permitted to own or have an interest in a business that operates in any way in competition with RECOILA. Staff also may not without approval in writing from RECOILA, operate any business (other than RECOILA business) or undertake any activity within RECOILA's offices or on any of RECOILA's computers and may not utilise any of RECOILA's equipment.

I will not engage in any other work outside my duties at RECOILA unless the Managing Director gives prior written approval.

I am aware that any approved outside employment or business must be performed wholly in my own time and have no adverse impact on the performance of my duties at RECOILA.

GIFTS, BENEFITS AND HOSPITALITY

Token gifts, benefits or hospitality may be considered acceptable in some circumstances.

Token items do not have a significant monetary value; are inconsequential or trivial, and are not offered on a frequent basis. The situation and intention of the provider also need to be taken into account, e.g. a gift of flowers may be considered acceptable, as it is not designed to influence a decision, it is a "one off" gift but is of little financial value.

Gifts, benefits or hospitality which are more than token items should not be accepted unless prior written approval of the Managing Director is obtained. Details will need to be recorded in a Gift Register.

I am aware that I must use sound judgment whenever a gift, benefit or hospitality is offered. If I have any doubts about acceptance, I will refer the issue to the Managing Director or his delegate for decision, or I will politely refuse and explain the reason.

In no circumstance will I accept any gift, benefit or hospitality for myself, family or friends from any person or organisation where it suggests, or could be seen by other people to suggest, that I should favour them in my dealings at work. I will report this type of offer to the Managing Director where it compromises the integrity of RECOILA and myself

I must never solicit any money, gift, benefit or hospitality. To do so would seriously damage the reputation of RECOILA.

A gift of any amount of cash is not acceptable under any circumstances.

I will obtain the prior written approval of the Managing Director or his delegate before agreeing to accept any gift, benefit or hospitality of more than token value. If this approval is obtained and I subsequently accept the gift, benefit or hospitality, I will ensure that its details are recorded in the Gift Register held at RECOILA's offices.

CUSTOMER SERVICE

I recognise that the needs of customers are most important and I will always try to satisfy their wishes in an honest, helpful and courteous way.

SERVICE TO SUPPLIERS

I will willingly provide all necessary and appropriate assistance to our Suppliers.

PERSONAL AND PROFESSIONAL CONDUCT

I will be professional, honest, fair and sensitive in my dealings with members of the public, other staff and organisations.

I will achieve value for money in the acquisition of goods and services and the letting of contracts.

I will follow relevant legislative, industrial and administrative requirements and keep up to date with new or revised policies relevant to my area of responsibility.

I will not consume alcohol or drugs at any time in such a way that it will adversely affect my work efficiency and performance or the reputation of RECOILA.

I will not engage in any conduct involving unlawful discrimination and harassment and I undertake to report any such conduct that I become aware of.

I will ensure that my actions do not put at risk the health and safety of other staff and will comply with all RECOILA policies or directions aimed at protecting the health, safety and welfare of staff and members of the public.

I will perform my duties faithfully, honestly and will deal with RECOILA in the utmost good faith.

I will devote substantially the whole of my time and attention during business hours to the performance of my duties to RECOILA.

I will exercise that reasonable degree of skill, care and diligence that is to be expected of a suitably experienced person engaged in the performance of comparable duties to those I perform at RECOILA.

I will at all times act in the best interests of and endeavour to protect and preserve the interests of and the business of RECOILA and not engage in any other activities which would adversely affect RECOILA or its customers. I will use my best endeavours to promote the business of RECOILA.

I will carry out directions and instructions provided from time to time by RECOILA and its management team.

DISCRIMINATION

I am aware that RECOILA wishes to conduct its work place free of discrimination or harassment of any kind whatsoever. I will not conduct myself in any way that amounts to harassment or discrimination of any person in the work place whether a fellow employee or otherwise. I accept that any breach of this clause will entitle RECOILA to terminate my employment forthwith and without notice.

USE OF RECOILA RESOURCES

While there may be some reasonable exceptions, generally you should not use RECOILA's resources for private purposes.

Unauthorised STD, IDD and mobile telephone calls should not be made. Telephone, faxes and modems must not be used for a second job or other non-work related purposes. RECOILA's vehicles should only be used for official purposes unless approval has been given for private use.

I will not use RECOILA's resources such as telephones, photocopier and fax machines for private purposes other than on an occasional basis and when this does not interfere with my work.

At all times I will exercise care when using RECOILA equipment or facilities and ensure that others do likewise.

I will not make or permit others to make unauthorised STD, IDD or mobile telephone calls unless such telephone calls are paid for.

I will not improperly use or allow others to improperly use any RECOILA resources.

PUBLIC COMMENT

Public comment means such things as:

speaking in public; or

stating your views in letters to newspapers, in books, journals or anywhere else that can be read by members of the public.

As a citizen, you have the right to make public comment and publicly debate political and social issues however, you must always be careful to make it clear that you are speaking as a private citizen, not commenting on behalf of RECOILA.

In RECOILA there is only one official spokesperson. He is the Managing Director.

I recognise that only a nominated official spokesperson may make public comment through the media and I will not do so, unless authorised by that person.

If I am asked by the media to make a comment, I will refer the request to the official spokesperson. If I am not sure what to do, I will refer the matter to my supervisor.

I will not make any public comment about RECOILA, its business or matters involving the internal operations of RECOILA

CORRUPT CONDUCT

In broad terms corrupt conduct occurs when:

A person carries out their duties dishonestly or unfairly;

Anyone does something that could result in someone else carrying out their duties dishonestly or unfairly,

Anyone does something that has a detrimental effect on another persons conduct which involves any of a wide range of matters, including fraud, dishonesty, bribery, misconduct, violence, or

Misuse of information or material obtained in the course of duty.

Allegations of corrupt conduct can be made to the following people within RECOILA:

The Managing Director

The Board of Directors.

USE OF INFORMATION

Corrupt conduct also includes the misuse of information by a present or former member of staff where that information is acquired in their official capacity or not for their benefit or for the benefit of any other persons.

I will access personal or Confidential Information only if I need to perform my duties.

I will take appropriate measures to protect the confidentiality of personal and Confidential Information of which I become aware. I will only disclose official information which is normally given to members of the public seeking that information.

I will divulge personal information concerning any person e.g. staff member, contractor, supplier or customer only to those within RECOILA who require that information in order to do their job.

I will not use information gained in the course of my duties to gain improper advantage for myself or any other person or body.

I will release personal information outside RECOILA only with the approval of the person affected, except to verify employment, to satisfy law enforcement activities or in other exceptional cases with the approval of the Managing Director.

I may (and probably will) come into possession of information confidential to customers of RECOILA. I agree it is fundamental to RECOILA's business that customer confidentiality be strictly maintained at all times and that the provisions of this Code will apply equally to any breach of the confidentiality due to RECOILA's customers.

I shall exercise reasonable care and take all necessary action and precautions with respect to the copying, access, storage and security of Confidential Information.

USE OF COMPUTERS

As you will be required to use a computer in the course of performing your duties, there are a number of important conditions relating to the use of the computer that you must be aware of. You should make yourself familiar with these conditions and if you have any questions regarding their scope or operation, please do not hesitate to raise these issues with your immediate superior or the systems administrator.

I am aware that the computer(s) and all information including applications resident on the RECOILA computer system are the property of RECOILA. I agree to use RECOILA computers for work related purposes only and to e-mail or to web browse only for work related purposes. I am aware that any e-mail that I may send over the Internet could carry with it the masthead of RECOILA including contact details and disclaimer, and consequently, even personal e-mails I may send from RECOILA will usually be quite clearly identified with RECOILA. I am aware that I am expected to limit such communications to work-related activities and to ensure that such communications conform to high standards of conduct and productivity.

At no time are the following activities permitted on the work computer:

1. Attempting unauthorised access to resources i.e. hacking.
2. Accessing offensive, vulgar or pornographic material on the web.
3. Circularising such materials to other persons whether other staff members or outside of the organisation.
4. Any usage that would reflect unfavourably upon RECOILA's reputation.
5. Down loading non-business related files.
6. Mass mailing of non-business messages to groups or individuals.

7. Harassment.

RECOILA has advised me that to ensure the security and efficient maintenance of RECOILA's computer and e-mail system, RECOILA reserve the right to monitor and access the e-mail, Internet use as well as documents stored on any RECOILA computers. It has also been explained to me that failure to comply with the requirements of this policy may result in disciplinary action, including termination of employment in appropriate cases.

I will abide with RECOILA's policies as to the following matters:

1. Information relating to customers and, in particular, legal or financial positions, business plans or Confidential Information must not be sent via Internet or electronic mail, except via secure links between RECOILA offices, as this data is vulnerable to interception and confidentiality may be breached. I will ascertain and keep myself informed as to:
 - a. the established protocol for each customer as to whether or not they have agreed to receive communications via the Internet; and
 - b. secondly as to the nature of communications which will be sent via the Internet and those communications which will be sent by more secure means
2. Very large documents. I will not send or ask to receive very large file attachments between 8 am and 6pm unless these are urgent and work-related. I agree that very large Internet mail file attachments can slow the RECOILA e-mail system and affect the speed and efficiency of internal and external mail.
3. In the proper administration of the system large e-mail communications will be automatically notified to the system administrator.
4. Executable Programs. RECOILA will not accept some types of files as mail attachments from the Internet. Some Internet file attachments are able to carry viruses which can potentially affect the whole RECOILA computer network. Examples of such files are .exe (executable files). These are files running their own small programs and are not generally work-related. These files are blocked from entering RECOILA's computer system for security reasons. If I require such an application for work-related activities, I will need to make an application to the systems administrator who

can assess and scan for viruses before accessing the file.

5. All access to the Internet by personnel will only be via approved firewall protected gateway or after an approval by the systems administrator. All data down loaded from the Internet must be scanned for viruses prior to use.
6. I am aware that access to the Internet is logged and monitored for potential abuse of the computer and for unethical use.

SECURITY

I agree to comply with the RECOILA Security Policy and so play my part on the protection of the Corporation, its assets and its information.

ON LEAVING RECOILA

I will not divulge to a prospective employer or to any one else any Confidential Information which could disadvantage RECOILA.

When my employment with RECOILA ceases, I will return all RECOILA's property, documents and other items in my possession. I will ensure that my computer access is terminated and I will not destroy or tamper with any property, including documents and information, electronically held.

I will not make public or otherwise use any confidential knowledge or information gained as a consequence of my employment with RECOILA, unless the permission of the Managing Director has been obtained.

I will not distribute, publish, mail or otherwise use any Confidential Information gained as a direct or indirect result of my employment.

I recognise that RECOILA invested a substantial amount of time and effort in the development of its relationships with its customers and employees.

To protect RECOILA's goodwill and its Confidential Information, I undertake that, upon the termination of my employment with RECOILA and for a period of 12 months thereafter, on my own account or for any other person, firm or business, directly or indirectly, I will not:

- (a) perform work for any of RECOILA's customers

without RECOILA's prior written consent. [RECOILA's consent will not be unreasonably withheld and will normally be provided within five working days of receipt of the request for consent]; or

- (b) solicit, approach, interfere with or endeavour to entice away from RECOILA any RECOILA customers; or
- (c) interfere with or endeavour to interfere with the relationship between RECOILA and any of its suppliers; or
- (d) employ, engage, solicit, approach, interfere with or endeavour to entice away from RECOILA any employee of RECOILA; or
- (e) employ, engage, solicit, approach, interfere with or endeavour to entice away from any customer of RECOILA any employee of that RECOILA customer; or
- (f) accept any agency, employment, appointment or position which would involve the use or disclosure by me of any of the Confidential Information;

1. I agree that these provisions are fair reasonable and appropriate to protect RECOILA's Confidential Information and its business.

BREACHES OF THE CODE

I will advise my supervisor of any breaches of the Code of Conduct that come to my attention, whether by me or by others.

I understand that if I breach this Code I will be guilty of misconduct. This may result in disciplinary action being taken against me, which could lead to termination of my employment with RECOILA.

HELP

If I have any questions concerning any aspects of the code, I am encouraged to speak to the Managing Director.

All discussions will be treated with the strictest confidence.

GENERALLY

I agree that this code of conduct forms an essential part of my contract with RECOILA and it requires me to act professionally and responsibly, towards RECOILA, its workforce and others in business.

This code also requires me to inform RECOILA of any information which may reasonably impact upon a number of issues including performance of my work, protection of RECOILA's business and maintaining high standards of work.

I acknowledge that RECOILA will, from time to time, make changes to this Code and it will send me a copy of the changes or additions, which will be effective from the time RECOILA publishes those changes on the Recoila website (www.recoila.com.au).