

**PIPER JAFFRAY COMPANIES  
CODE OF ETHICS AND BUSINESS CONDUCT**

APPLICABLE TO OFFICERS,  
EMPLOYEES AND AGENTS OF  
PIPER JAFFRAY COMPANIES  
NOVEMBER 2007

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**PIPER JAFFRAY COMPANIES**  
**CODE OF ETHICS AND BUSINESS CONDUCT**  
Applicable to Officers, Employees and Agents  
of Piper Jaffray Companies

**INTRODUCTION**

The Code of Ethics and Business Conduct (the “Code”) embodies the commitment of Piper Jaffray Companies and all its affiliated entities including representative offices (collectively referred to as “Piper Jaffray” or the “Company”), to conducting our business in accordance with all applicable laws, rules and regulations of the United States, the United Kingdom, Hong Kong, the People’s Republic of China (the “PRC”) and any other countries in which we operate, our Guiding Principles and the highest ethical standards. The Code covers a wide range of business practices and procedures. The Code is not exhaustive; rather, it identifies common areas in which ethical issues may arise, contains standards designed to deter wrongdoing and provides guidance for carrying out your responsibilities on behalf of Piper Jaffray and observing the highest standards of ethical conduct.

As we compete in the marketplace, we must do so ethically and legally and with our clients’ best interests in mind. An illegal or unethical act, or an act that does not place our clients’ interests first, cannot be justified by saying it benefited the Company, that it was directed by someone else in the organization (whether or not that person is in a position of authority), or that others in the industry or marketplace regularly engage in such conduct. Neither you nor any other employee is ever authorized by Piper Jaffray to commit or to direct another employee to commit an unethical or illegal act.

**APPLICATION OF THE CODE**

**WHO MUST COMPLY WITH THE CODE**

As a condition of your service to Piper Jaffray as an officer, employee, consultant or contractor, you must comply with the Code. You are required to conduct yourself according to these standards and seek to avoid even the appearance of improper behavior.

You should provide a copy of the Code to agents and representatives of Piper Jaffray, including consultants and contract employees with whom you work, as appropriate.

You are responsible for reviewing the Code and for acting in compliance with the Code. If a law or regulation conflicts with a policy in the Code, you must comply with the law or regulation. If you have any questions about such a conflict, you should ask your manager for clarification as to how to handle the situation.

In addition to the Code and the employee handbook applicable to you, you are subject to the policy and procedure manual and any additional codes specific to your business line. You are responsible for familiarizing yourself with the policies and procedures of your respective business line and acting in accordance with them.

## **CERTIFICATION PROCESS**

Once each year, you must certify your compliance with and commitment to the Code in written form or electronically. Piper Jaffray will send you a communication via e-mail attaching an acknowledgment of your receipt, review of and compliance with the Code for you to sign and return to Human Resources, or will provide a link to the Company intranet to enable online certification.

## **FAILURE TO COMPLY WITH THE CODE OF ETHICS**

Those who violate the standards in the Code will be subject to disciplinary action, up to and including immediate termination of employment. If you are in a situation that you believe may violate or lead to a violation of the Code, follow the guidelines described in the “Compliance Procedures” section of the Code.

## **AMENDMENTS TO AND WAIVERS OF THE CODE**

Any amendment to the Code, and any waiver of the Code for executive officers, may be made only by the Board of Directors of Piper Jaffray Companies or a Board committee consisting of independent directors and will be promptly disclosed as required by law or regulation.

## **EMPLOYMENT RELATIONSHIP**

These policies and standards do not alter your employment relationship with the Company. This means that we recognize your right to resign at any time for any reason; similarly, the Company may terminate employment with an employee according to the terms and conditions set forth in your employment contract where applicable, the Employee Handbook applicable to you, and the Code, in accordance with applicable laws and regulations.

## **REPORTING ILLEGAL OR UNETHICAL BEHAVIOR**

### **GENERAL OBLIGATION TO REPORT**

You must report observed illegal or unethical behavior to your manager, the Compliance Department or the General Counsel Department. If at any time you find yourself in a situation you believe is or may be a violation of a law, regulation or Company policy, you must report the violation or what you suspect may be a violation. If you become aware that someone may be contemplating an action that would be a violation, you should take steps to report it. All reports should be made in good faith. If you would prefer to anonymously ask a question or report questionable behavior, you can contact the Piper Jaffray Ethics Hotline.

Piper Jaffray policy prohibits retaliation for reports of misconduct by others made in good faith by employees. Retaliation against an employee who reports a violation or suspected violation is illegal and will result in disciplinary action (up to and including termination of employment) for anyone who takes retaliatory measures of any kind. In addition, such person may be subject to civil or criminal penalties under applicable governing laws and regulations, including state and federal laws.

You are required to cooperate in regulatory investigations, audits and inquiries, as well as in internal investigations of misconduct. Your cooperation may include, but is not limited to, providing testimony, assistance, documents and information regarding matters of which you have knowledge arising from your

employment with Piper Jaffray. Refusing to or failing to cooperate with an investigation or inquiry may result in disciplinary action, up to and including termination of your employment.

If you become aware of any attempt to influence the content of Research Reports or the activities of Research personnel for the purpose of obtaining Investment Banking business, you must immediately report it to the Compliance Department via a special telephone hotline. This hotline may also be used to report other issues of concern related to research or other matters that employees want to bring to the attention of Compliance. To leave a message on this hotline, dial the appropriate international dialing code followed by 1-866-426-2154.

## **PIPER JAFFRAY ETHICS HOTLINE**

**1-866-396-TALK (1-866-396-8255)**

The Piper Jaffray Ethics Hotline is a confidential means for you to report or discuss any ethical question, concern, problem or violation related to Piper Jaffray, including any violation or suspected violation of the Code. To reach the Ethics Hotline, dial the appropriate international dialing code followed by 1-866-396-TALK (1-866-396-8255). The Ethics Hotline is monitored by an independent third party to ensure that all calls are handled discreetly and thoroughly. Confidentiality will be maintained, and you may make calls on an anonymous basis, if you wish.

## **GUIDING PRINCIPLES**

The Piper Jaffray Guiding Principles are at the heart of our business and are the foundation of the Code. Our Guiding Principles provide:

- ◆ We create and implement superior financial solutions for our clients. Serving clients is our fundamental purpose.
- ◆ We earn our clients' trust by delivering the best guidance and service.
- ◆ Great people are our competitive advantage.

**As we serve, we are committed to these core values:**

- Always place our clients' interests first.
- Conduct ourselves with integrity and treat others with respect.
- Work in partnership with our clients and each other.
- Maintain a high-quality environment that attracts, retains and develops the best people.
- Contribute our talents and resources to serve the communities in which we live and work.

## **CULTURE OF INCLUSION**

At Piper Jaffray, we value having an inclusive culture based on our Guiding Principles. Inclusion and diversity yield the broader ideas and perspectives, innovation, leadership and excellence that are critical to our business success. By intentionally reaching out to people from all backgrounds and experiences, we unleash the full potential of our individual and collective efforts and open new market opportunities. We strive to take an inclusive approach to everything we do because it best serves our clients, employees, communities and shareholders.

## CONFLICTS OF INTEREST

As a Piper Jaffray employee, you have a duty of loyalty to Piper Jaffray and an obligation to put our clients' interests first in accordance with our Guiding Principles. Accordingly, we expect you to avoid personal conflict of interest situations, and to identify and appropriately manage other actual or apparent conflicts, as described below.

### PERSONAL CONFLICTS OF INTEREST

A conflict of interest exists when your private or personal interest interferes in any way or even appears to interfere with the interests of Piper Jaffray or our clients, or impairs the exercise of your independent judgment in furtherance of the firm's or our clients' best interests. A conflict situation can arise when you have interests that may make, or appear to make, it difficult to perform your work for Piper Jaffray objectively and effectively. Conflicts of interest may also arise when you or a member of your family receives improper personal benefits as a result of your position with Piper Jaffray. Loans to, or guarantees of obligations of, you or your family members may create personal conflicts of interest.

It is almost always a conflict of interest for you to work simultaneously for Piper Jaffray and a competitor, customer or supplier, even as a consultant. You are not allowed to serve as a board member of a competitor, and you must receive prior written approval from your compliance officer for any board affiliations that you have, including service on an advisory board. Some potential conflict situations are permissible if properly supervised, such as certain outside business activities and outside securities accounts.

### OTHER CONFLICTS OF INTEREST

Other conflicts of interest are inherent in the financial services business. We are frequently called upon to manage competing interests, including when we act as an intermediary, whether as a financial advisor, salesperson, trader, investment banker or in another capacity. These types of conflicts differ from the more personal conflicts described above in that the conflict typically is between the firm (or you as a firm employee) on the one hand, and our clients or another party on the other hand. Accordingly, these conflicts may challenge our core values, including that of putting our clients' interests first.

Because these kinds of conflicts are simply inherent in our business, we cannot avoid them altogether. What we can do and what you are expected to do, however, is to manage them effectively, first by identifying them, and then by eliminating them or mitigating them, through full disclosure. The variety of actual and potential conflicts of interest we face is significant, and changes as the markets and the industry evolve. There is no "one size fits all" approach to describing or managing conflicts of interest. Each actual and potential conflict must be analyzed individually and thoughtfully. Managing a conflict may mean eliminating it altogether, disclosing it, or addressing it in some other meaningful way. This is an ongoing challenge, but one that is essential to earning our clients' trust and maintaining our reputation.

One aid in dealing with conflicts of interest is to be mindful of making decisions *on the right level*. This means recognizing that our Guiding Principles go beyond policies, rules and regulations. It means complying with the "spirit" or "intent" as well as the "letter" of the law, and actively doing what's right. And it also means being willing to forego questionable business, even if others in the industry are engaged in it. We cannot feel safe in assuming that we are putting our clients' interest first simply because we are following the letter of the law and/or industry custom or practice. Rather, we must make decisions that follow our Guiding Principles and do the right thing for our clients.

If you have a situation involving an actual or apparent conflict of interest and are unsure of how to proceed, discuss the situation with your manager. Alternatively, you should contact the Compliance or General Counsel Department for guidance. If you prefer to anonymously ask a question or report questionable behavior you can contact the Piper Jaffray Ethics Hotline by dialing the appropriate country code followed by 1-866-396-TALK.

## **COMPLIANCE WITH LAWS, RULES, REGULATIONS AND COMPANY POLICY**

Piper Jaffray requires, and actively promotes, compliance with the laws, rules and regulations that govern our business. Obeying the law, both in letter and in spirit, is the foundation on which the Piper Jaffray ethical standards are built. You must respect and obey the laws of the cities, states and countries in which we operate, as well as the rules and regulations of the United States Securities and Exchange Commission (SEC), the United States Financial Industry Regulatory Authority (FINRA), the UK Financial Services Authority (FSA), the Hong Kong Securities and Futures Commission (SFC), the China Securities Regulatory Commission (CSRC) and other regulators as they apply to you.

You are expected to understand the laws, rules and regulations applicable to you and your duties with Piper Jaffray, and to know enough about the regulatory environment within which Piper Jaffray operates to determine when to seek advice from your manager, the Compliance Department or the General Counsel Department. If you are unclear about the applicability of a law, rule or regulation to your responsibilities, or if you are uncertain about the legality or integrity of a particular course of action, you must seek the advice of your manager, the Compliance Department or the General Counsel Department. You should never assume that an act is acceptable merely because others in the industry engage in it. Piper Jaffray may, in its sole discretion, impose internal discipline upon you, including a monetary fine, if you violate any of the laws, rules, regulations, policies, or procedures applicable to you.

## **RESPONSIBILITY FOR FAIR AND ETHICAL DEALINGS**

### **COMPETITION AND FAIR DEALING**

We seek to outperform our competition fairly and honestly. You must respect the rights of and deal fairly with our customers, suppliers, competitors and employees. You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice. Misappropriating 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.

### **GIFTS AND ENTERTAINMENT IN SITUATIONS THAT DO NOT INVOLVE GOVERNMENT OFFICIALS OR REGULATORY PERSONNEL**

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 or create the appearance of a conflict of interest with customers, vendors and others, who are not government officials. No gift or entertainment should ever be offered, given, provided or accepted by any employee, family member of an employee or agent unless the gift or entertainment:

- is not a cash gift,
- is consistent with customary business practices,

- is not excessive in value or frequently bestowed,
- cannot be construed as a bribe or payoff, and
- does not violate any laws or regulations.

In addition, you must comply with the following specific regulations.

### *Gifts*

In the United States, no employee of the U.S. broker-dealer Piper Jaffray & Co. is allowed to make or accept any gift worth more than US\$100 per year to or from any person or firm, including any client, vendor or other service provider that does business with Piper Jaffray. Even a gift under US\$100 should not be made or accepted if it might appear that the gift would influence the recipient's business decision. In the United Kingdom, Hong Kong and the PRC, and at Fiduciary Asset Management (FAMCO), you should speak to your Compliance Officer to determine whether a gift is within appropriate limits.

### *Entertainment*

Any entertainment should be given or accepted only for a valid and necessary business purpose and the amount spent should be that which is usual and customary in the industry, and neither so frequent nor so extensive as to raise any question of propriety.

Entertainment is defined as an event where the employee hosts or accompanies the client, vendor or other service provider. Gifts of tickets to sporting events or similar events where the party providing the tickets does not accompany the recipient are considered a gift and subject to the US\$100 limit for Piper Jaffray & Co. employees.

You must be personally satisfied that the gift or entertainment is not intended to influence your judgment or the performance of your duties. You should consult policies applicable to your business line or unit for special requirements. If you have any questions about the appropriateness of any gifts or proposed gifts, you should contact your manager or the Compliance Department.

## **PAYMENTS AND GIFTS TO GOVERNMENT OFFICIALS AND REGULATORY PERSONNEL**

Piper Jaffray requires full compliance with the U.S. Foreign Corrupt Practices Act ("FCPA"). The FCPA prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country. The FCPA applies to any dealings that officers, employees, consultants, contractors, intermediaries and agents of the Company have with government officials. The term "government official" includes any employee of a government or state-owned or state-controlled entity (even if the person or entity is performing what might be considered commercial functions). Chinese Communist Party officials are considered to be PRC government officials for the purposes of the FCPA. If there is any question as to whether a person is a government official, you should seek guidance from the Compliance Department or General Counsel Department.

In addition to the FCPA, the U.S. government and the governments of other countries in which we operate have a number of laws and regulations regarding business gratuities that may be accepted by their personnel. The promise, offer or delivery to an official or employee of the government of a gift, favor or

other gratuity in violation of these rules would not only violate Company policy, but could also be a criminal offense.

Regulatory personnel are subject to similar regulations regarding business gifts and gratuities. Local, state and foreign governments may also have similar rules. In addition, depending on the type of work you perform for Piper Jaffray you may be subject to other rules and regulations including, without limitation, Rule G-37 of the Municipal Securities Rulemaking Board related to political contributions. Consult Compliance if you have any questions or concerns regarding the appropriateness of providing a gift, favor or other gratuity to domestic or foreign government personnel, foreign political candidates or regulatory personnel.

## **RESPONSIBILITY FOR PERSONAL ACTIONS**

### **INSIDER TRADING**

If you have access to material, non-public information about Piper Jaffray, our clients or other entities, you are prohibited from effecting securities transactions based upon that information. This prohibition includes trading for an account of Piper Jaffray, a client's account, your personal account, any accounts in which you have a direct or indirect beneficial interest (including accounts for family members), or any other account over which you have control, discretionary authority, or power of attorney. The prohibition against insider trading applies not only to the security to which the inside information directly relates, but also to related securities, such as options or convertible securities, and may extend to securities of similarly situated companies, such as companies in the same or a related industry.

You are also prohibited from disclosing any material, non-public information to others. All non-public information about Piper Jaffray and our clients must be considered and maintained as confidential information. To use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is both unethical and illegal.

In order to assist with compliance with laws against insider trading, Piper Jaffray has adopted specific policies governing employee and insider trading. The employee trading policy can be found on the Piper Jaffray intranet. Insider trading policies are contained in the compliance manual applicable to you. FAMCO employee trading policies are found in the FAMCO Code of Ethics. If you have any questions, please consult the Compliance Department.

### **CORPORATE OPPORTUNITIES**

You are prohibited from benefiting personally from opportunities that are discovered through the use of corporate property, information or position unless you have obtained consent from the Management Committee. This includes business referrals, revenue sharing arrangements, and trade ideas. When an opportunity arises to advance the Company's legitimate business interests, you owe a duty to Piper Jaffray to advance its legitimate interests and not your interests or those of your family, friends or others. You may not use corporate property, information or the Company's position, for personal gain, and you may not compete with Piper Jaffray, directly or indirectly.

### **OUTSIDE BUSINESS ACTIVITIES**

You must receive prior written approval from your business leader and the Compliance Department in accordance with applicable compliance policies, for any outside business activity in which you engage, so

that a review for potential conflicts of interest can be conducted. Outside business activities include, for example, serving as a partner in another business, serving as an officer in a family-owned corporation, serving as an outside director of another company, working part-time for another company or consulting for another company. It is almost always a conflict of interest for you to work simultaneously for Piper Jaffray and a customer or supplier, even as a consultant. Authorization to participate in an outside business activity or investment opportunity depends on many factors, including the nature and extent of the outside interest, the duties involved, the potential for conflicts of interest and the relationship between Piper Jaffray and the outside entity.

## **OUTSIDE SECURITIES TRANSACTIONS**

Prior written approval from your business leader and Compliance, in accordance with applicable compliance policies, is required for all outside securities transactions, including private securities transactions that you make. For additional detail, refer to the appropriate sections in the compliance manual or additional code of ethics applicable to you. You should consult policies applicable to your business line or unit for special reporting and approval procedures.

## **PERSONAL FINANCIAL RESPONSIBILITY**

Your personal financial matters should be handled with prudence at all times. You and your family members are prohibited from borrowing money from or loaning money to clients (other than financial institutions), suppliers, other employees and contractors. Employee privileges carry the responsibility of prudent use, prompt payment and care to follow all guidelines and reimbursement procedures.

## **OBLIGATION TO DISCLOSE LITIGATION, ARREST, INDICTMENT, REGULATORY ACTIONS, CLIENT COMPLAINTS AND BANKRUPTCY**

You have an affirmative obligation to notify the Compliance Department if you become subject to any of the following, including investigations that may result in the actions listed:

- Any criminal offense, including arrest or arraignment; indictment or conviction; pleading guilty or no contest (minor traffic violations excluded)
- Any disciplinary action, formal complaint or proceeding initiated by any regulator or professional organization, e.g., a bar association or regulatory entity
- Client complaints
- Litigation
- Temporary or permanent injunction by any applicable court prohibiting you from engaging in any conduct relating to securities, commodities, insurance, or banking matters
- Bankruptcy

Piper Jaffray may have an obligation to report these actions to securities regulators.

## **DISCRIMINATION, HARASSMENT AND RETALIATION**

Piper Jaffray is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination, harassment or retaliation of any employee or applicant. Piper Jaffray policies prohibiting discrimination, harassment and retaliation are contained in the employee handbook applicable to you.

## **RESPONSIBILITY FOR FINANCIAL OUTCOMES**

### **BUSINESS EXPENSES**

Piper Jaffray requires honest, accurate and timely recording and reporting of information regarding business transactions. For example, many employees regularly use business expense accounts. You must accurately document and record your expenses and submit them in a timely manner in order to be eligible for reimbursement. If you are not sure whether a certain expense is legitimate, ask your manager or supervisor. Falsifying business related expenses constitutes grounds for immediate termination.

A corporate credit card may be used for business-related expenses only and may not be used to secure personal cash advances or for personal purchases. Misuse of any corporate credit card or repeated late payments may be grounds for denying future use of the card or other forms of disciplinary action, including termination. When an employee terminates employment, any balance owed on the account must be reconciled and payment arranged. If necessary, Piper Jaffray will apply employee expense reimbursements directly to the outstanding card balance rather than making payment to the employee to ensure payment of a corporate credit card.

### **EMPLOYEES' FINANCIAL, ACCOUNTING AND AUDITING MATTERS**

All Piper Jaffray books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately and accurately reflect transactions of Piper Jaffray and must conform to applicable legal requirements and regulatory requirements and to Piper Jaffray internal controls. The financial statements of the Company shall conform to applicable accounting rules and the Company's accounting policies. Any compensation you receive related to the performance of your duties for Piper Jaffray must be approved by Piper Jaffray and accurately recorded on the Company's books and records. Non-exempt employees must report only the true and actual number of hours you have worked.

It is a violation of law and Company policy for any Piper Jaffray employee to attempt to improperly influence or mislead any accountant engaged in preparing an audit. Piper Jaffray is committed to full compliance with all legal, regulatory and accounting requirements applicable to its public disclosures. The Company's financial and other reporting must fairly present the financial condition, results of operations and cash flow of Piper Jaffray and must comply in all respects with applicable law, governmental rules and regulations and accounting standards.

### **PROTECTION AND PROPER USE OF COMPANY ASSETS**

Piper Jaffray regulates the use of its systems, including telephones, computer networks, electronic mail and remote access capabilities. Company equipment should not be used for non-Company business, though incidental personal use may be permitted. Under no circumstances may you use Piper Jaffray systems to view, store, or send unlawful, offensive or other inappropriate material.

You should endeavor to protect Piper Jaffray assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft should be immediately reported to the Business Continuity Risk Manager in the Enterprise Risk Management department.

You should familiarize yourself with the Company's Information Security Policy, which can be found on the Intranet. You are required to comply with it.

Your obligation to protect Piper Jaffray assets includes our 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. The unauthorized use or distribution of this information violates Company policy. It could also be illegal and result in civil or even criminal penalties.

## **RESPONSIBILITY FOR COMMUNICATIONS, DOCUMENTS AND INFORMATION**

### **BUSINESS COMMUNICATIONS**

All communications, whether verbal or written, should be conducted professionally and should adhere both to our ethical standards and to applicable regulatory requirements. What we say, write and do should reflect a clear understanding of the ethical values and expectations of Piper Jaffray and should demonstrate sound personal judgment. That means being clear, objective, factual, truthful, and accurate. It also means being respectful. Always avoid exaggeration, colorful language, including profanity, guesswork, legal speculation, and derogatory remarks or characterizations of people, companies or their products and services. What we say, write or do should preserve or enhance our integrity and reputation – it should never jeopardize it. This policy applies to communications of all kinds, including voice-mail, e-mail, instant messages, informal notes, or memos.

#### *E-mail*

E-mail (which, for purposes of the Code of Ethics, includes instant messaging and any other communications sent electronically) is an important form of internal and external communication. Every e-mail should be created with the understanding that it will be retained and may be treated as a formal public record. E-mails are written records and, even if deleted from your computer, are stored and accessible according to legal and regulatory requirements. Our ethical standards apply to every e-mail we create, no matter how informal or casual it may be. E-mails should be written in a professional tone. The transmission of all messages must comply with all Company policies. Piper Jaffray policies regarding harassment and business conduct contained in the Employee Handbook apply equally to electronic communications. No e-mails should be sent which may be perceived as offensive, intimidating or hostile. The use of profanity and/or disparaging remarks is prohibited.

Piper Jaffray reserves the right to monitor your e-mail and computer files for any reason, including when there is a reasonable suspicion that your use of these systems violates criminal or civil law, violates a Company policy or may have an adverse effect on Piper Jaffray, its customers or its employees. Examples include, but are not limited, to e-mails containing sexual innuendo or off-color jokes; comments regarding personal reputation; chain letters; downloading, copying or sending confidential information to an unauthorized party; and excessive or unauthorized personal use that violates Company policy. For more details, refer to the policies regarding use of technology in the employee handbook applicable to you, and policies and procedures regarding electronic communications found in the compliance manual applicable to you.

#### *Electronic Communications/Internet*

Electronic communications, including connections to the Internet and Intranet websites using Company computing or network resources, are the property of Piper Jaffray and are subject to monitoring and

surveillance. Communications by certain Company employees are subject to detailed supervisory requirements.

## **DOCUMENT RETENTION AND DESTRUCTION**

You must comply with the Piper Jaffray Records Management policy which is available on the Piper Jaffray Intranet or the records management policies applicable to your business. In accordance with this policy, in the event of litigation or regulatory inquiry related to a particular matter, you should retain and not destroy any potentially relevant documents, information or other materials; and consult the General Counsel Department.

It is a criminal offense to destroy documents that are subject to a subpoena or other legal process. Once a legal proceeding has begun, or even when one is threatened or reasonably likely, the Company requires you to preserve documents relevant to an issue even before specific documents are requested. If you fail to comply with this policy, or with industry regulations or applicable laws, you will be subject to termination and may also face criminal or civil prosecution.

## **PROPRIETARY AND CONFIDENTIAL INFORMATION**

Proprietary information includes all non-public information that might be of use to competitors, or harmful to Piper Jaffray or our clients, if disclosed. It includes, for example, intellectual property, business plans, personal employee information, and unpublished financial information. It also includes information that suppliers and customers have entrusted to us. Confidential information is information that is not generally known to the public about Piper Jaffray, our clients, or other parties with whom Piper Jaffray has a relationship and who have an expectation of confidentiality. You must maintain the confidentiality of proprietary and confidential information entrusted to you by Piper Jaffray or our customers, except when disclosure is authorized by the General Counsel Department or required by laws or regulations. The obligation to preserve confidential information continues even after your employment ends. If your employment with Piper Jaffray ends, you must immediately return all proprietary and confidential information, including information that may have been retained in personal items (e.g., electronic devices or home computers).

You are paid to work for Piper Jaffray and may be using Company facilities and equipment to develop proprietary information. As a condition of employment, you acknowledge and agree that proprietary information is the sole property of Piper Jaffray and disclaim any rights and interests in any proprietary information and assign these rights to Piper Jaffray. Additionally, you agree to immediately disclose all proprietary information to Piper Jaffray.

## **COMPLAINT PROCEDURES FOR ACCOUNTING AND AUDITING MATTERS**

Piper Jaffray has established complaint procedures regarding accounting and auditing matters which are available both on the Company's Intranet and Internet websites. We encourage you to submit any good faith concern regarding questionable accounting or auditing matters. These concerns may be reported through the Ethics Hotline described in the Code and may be made on a confidential and/or anonymous basis. All concerns regarding questionable accounting or auditing matters will be reviewed by the General Counsel and directed to the Audit Committee of the Board of Directors for its consideration and appropriate action. The General Counsel Department will maintain a log of all complaints in accordance with the Company's record retention policy.

## COMPLIANCE PROCEDURES

We all must work to ensure prompt and consistent action against violations of the Code. However, in some situations it is difficult to know if a violation has occurred. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your manager. This is the basic guidance for all situations. In many cases, your manager will be more knowledgeable about the question and will appreciate being brought into the decision-making process. Remember that it is your manager's responsibility to help solve problems.
- Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your manager, or where you do not feel comfortable approaching your manager with your question, you may discuss the issue with a member of upper management, the Compliance Department or the General Counsel Department.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. Piper Jaffray does not permit retaliation of any kind against employees for good faith reports of ethical violations.
- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance.