

# Tecumseh Products Company Corporate Policy



## **200.00 CODE OF CONDUCT FOR ALL DIRECTORS, OFFICERS, AND EMPLOYEES**

### **1.0 INTRODUCTION**

Tecumseh Products Company is committed to conducting its business ethically, as well as legally. Ethical and legal conduct in all of Tecumseh Products Company's business affairs is essential to the Company's future.

Tecumseh Products Company's reputation, as is an individual's reputation, is a valuable asset. Each of us must be dedicated to the highest degree of personal integrity out of respect for our customers, suppliers, and shareholders, as well as ourselves. Ethical conduct forms the foundation of necessary trust for the long-term success of the Company, and is in-line with the Company's long-term goals. Each employee must be committed to ethical and lawful business conduct.

This Code is an ethical guideline for each of us. It reaffirms the Company's commitment to conduct all of its business activities ethically and legally. It is critical that all of us conduct our business affairs accordingly.

### **2.0 PURPOSE, APPLICATION, AND ADMINISTRATION**

- 2.1 This Code of Conduct of Tecumseh Products Company reaffirms the Company's commitment to conduct its business in accordance with the law and the highest standards of business ethics.
- 2.2 This Code of Conduct applies to all directors, officers, and employees of Tecumseh Products Company and its subsidiaries ("Covered Persons"). Officers and employees who are subject to the Company's Code of Ethics for Financial Managers must comply with that Code as well as this one.
- 2.3 Administration of this Code of Conduct is under the direction of the Chief Executive Officer.
  - All executive and management employees of Tecumseh Products Company, its divisions and subsidiaries, and such other employees as are designated by the Chief Executive Officer, will certify that they are not in violation of this Code of Ethics and that they will remain in compliance. This certification will be part of the employee's personnel file.

- All managers will impress upon the employees under their supervision the necessity and importance of complying with all provisions of this Code of Conduct.
  - Covered Persons who violate this Code of Conduct are subject to appropriate disciplinary action, including discharge in the case of employees.
  - Appropriate cases may also be referred for criminal prosecution and/or civil action.
- 2.4 Tecumseh Products Company encourages Covered Persons to report any violations of this Code or other suspected illegal or unethical conduct connected with the Company's business or partners. See the Tecumseh Products Company Ethics Reporting Policy, which is available on the Company's Internet website at [www.tecumseh.com](http://www.tecumseh.com), for reporting procedures and safeguards.
- 2.5 Any waiver of this Code for executive officers or directors may be made only by the Board of Directors and must be promptly disclosed to shareholders, together with the reasons for the waiver, by filing a Form 8-K with the Securities and Exchange Commission or other appropriate means.

### **3.0 ETHICAL BUSINESS CONDUCT**

- Tecumseh Products Company requires each Covered Person to discharge all responsibilities in accordance with the law and the highest standards of business ethics. If at any time a Covered Person is uncertain regarding the validity or legitimacy of a proposed course of action, the application of a law or regulation, or the applicability of Tecumseh Products Company's policies described in this Code, he or she should contact the Corporate General Counsel and Secretary for appropriate guidance.
- Covered Persons must act with honesty and integrity, avoiding actual or apparent conflicts of interest in their relationships with the Company.
- Covered Employees must respect the confidentiality of information acquired in the course of their work except when they are authorized or legally obligated to disclose it. Confidential information acquired in the course of work for Tecumseh Products Company may not be used for personal advantage.
- Tecumseh Products Company is committed to full compliance with all applicable laws and regulations. In keeping with this commitment, Tecumseh Products Company seeks to avoid even the appearance of impropriety.

- Covered Persons must be aware of their obligations with respect to laws and regulations including but not limited to those affecting occupational safety and health, the environment, equal opportunity employment practices, unlawful trade practices (antitrust) federal copyright laws (software duplication), and must dedicate themselves to compliance with these laws.
- Many laws to which Tecumseh is subject are ambiguous or complex and their precise application to Tecumseh Products Company business practices or activities often is unclear. Therefore, appropriate guidance should be sought regarding any proposed action that raises questions or creates uncertainty with respect to the applicability of and/or compliance with laws or regulations.
- Tecumseh Products Company will at all times compete vigorously and fairly and will comply with all applicable antitrust laws and regulations. To that end, Covered Persons shall seek the advice and guidance from the Corporate General Counsel and Secretary with regard to any and all transactions that may have antitrust implications.
- Tecumseh and/or its Covered Persons shall not directly or indirectly engage in unethical, dishonest or illegal activities.
- Participation in any fraudulent or deceptive activities toward Tecumseh Products Company, its customers, suppliers, or contractors, or anyone else with whom Tecumseh Products Company associates or does business is strictly prohibited.
- Examples of prohibited activities include submission of expense accounts for amounts other than the amount actually spent on company business, theft, fraud, embezzlement, software piracy, environmental abuse, the tendering or receipt of kickbacks, inflated billings, or the offering or receipt, directly or indirectly, of money, goods or service where the purpose of the action is to influence someone to act contrary to the interest of that person's own employer or principal.
- Tecumseh Products Company's interests may be severely damaged by unethical business practices or other questionable activities even though such conduct may not be in violation of law. Accordingly, in addition to complying with all legal requirements, all Covered Persons are expected to conduct the business of Tecumseh Products Company with the highest standards of business ethics.

#### 4.0 **CAMPAIGN AND ELECTION LAW MATTERS**

- Tecumseh Products Company requires compliance by its employees with all applicable laws prohibiting or regulating use of company funds, properties, and services, directly or indirectly, to influence government action or the nomination or election of any candidate to public office.

Consistent with such requirements, Tecumseh encourages Covered Persons to exercise their political rights.

- All contributions of Tecumseh Products Company funds to political candidates, committees and parties and all other forms of direct or indirect assistance or support must be in strict compliance with all applicable laws and regulations and must be properly authorized.
- Although Tecumseh Products Company encourages involvement by Covered Persons in community and government affairs, political activity, and campaign support for candidates of their choice, such activities must be undertaken at the individual's own expense, on his or her own time, and not on Company property, and no reimbursement in any form, directly or indirectly, will be made by Tecumseh Products Company.
- No partisan political activities by Covered Persons shall be conducted on Tecumseh Products Company property.
- Furthermore, a Covered Person's personal political activity should not in any way create the appearance that the activity is sponsored by an official position of Tecumseh Products Company.

## **5.0 RELATIONSHIP TO GOVERNMENT OFFICIALS AND PERSONNEL**

- Tecumseh Products Company's contacts with government officials and personnel, both in this country and abroad, must be conducted in compliance with all laws and regulations and in such a way as to avoid even the appearance of impropriety.
- Tecumseh Products Company seeks lawfully to develop and maintain good relationships and effective communication with officials at all levels of government, which may impact areas in which Tecumseh Products Company does business. However, contacts and relationships with government personnel must never be illegally fostered, suggest improper influence upon such persons, or compromise Tecumseh Products Company integrity.
- Direct or indirect assistance or support by Tecumseh Products Company to government officials or personnel must be made in a manner consistent with law and ethical business practices. This requirement also applies to contributions or expenditures made on Tecumseh Products Company behalf by Covered Persons, agents, or other representatives.
- Likewise, entertainment of government officials shall at all times be conducted within the bounds of all applicable laws, sound business ethics, and good discretion. Foreign matters must follow the provisions of the Foreign Corrupt Practices Act, and the Corporate General Counsel and Secretary should be consulted for specific advice.

## 6.0 MAINTENANCE OF ACCURATE AND COMPLETE RECORDS

- Covered Persons engaged in the preparation of financial statements that are prepared for the public and/or regulatory agencies are to apply reasonable procedures to ensure that:
  - All disclosures contained in periodic financial reports fairly present, in all material respects, the operations and financial condition of Tecumseh Products Company.
  - Periodic reports that are required to be filed by the Company contain full, fair, accurate and understandable disclosures.
- Tecumseh Products Company requires the maintenance of accurate and reliable records with respect to all receipts and disbursements as well as with respect to all transactions to which it is a party.
- Accurate and reliable records shall be maintained at all times. All payments of money, transfers of property, furnishing of services and other transactions must be reflected in detail in the appropriate accounting and other business records of Tecumseh Products Company.
- Covered Persons shall make full disclosure of all relevant information and shall otherwise fully cooperate with internal auditors, external auditors and the office of the General Counsel in the course of audits or investigations.
- Adequate documentation relating to the employment of sales representatives and consultants should be maintained. Before hiring consultants there is to be a written contract stating the services to be performed and the terms of the agreement.
- When Tecumseh Products Company enters into commission or fee agreements with firms or persons servicing as commercial sales representatives, agent for consultants, the following must be observed:
  - All terms of such commission or fee agreement must be fully documented and described in a written contract.
  - In addition to standard contractual terms and conditions, the contract should contain a clear description of the services to be rendered by the representative, agent or consultant.
  - Commissions or fees for assistance in securing orders and for after sales service must be reasonable as to amount and consistent with local custom and normal practice in the industry for the products involved and for the services rendered.
  - All commission and fee payments must be made in accordance with all laws and regulations and recorded accurately in Tecumseh Products Company books.

Tecumseh Products Company intends this Code of Conduct to be its code of conduct under Rule 4350(n) of The Nasdaq Stock Market, Inc. or any successor rule.