



DATE: February 7, 2017

TO: All Bayco Product Employees, Contractors, Distributors and Business Partners  
(collectively referred to as "Bayco Agents")

FROM: Bijan Bayat, President/CEO

SUBJECT: Export Policy Statement

Bayco Products, Inc. (Bayco) is committed to compliance with all export controls in the Export Administration Act (EAR) and the Export Administration Regulations.

Bayco Agents acknowledge and expressly agree that certain laws of the United States including, but not limited to, the U.S. Export Administration Act, the U.S. Export Administration Regulations (including the anti-boycott provision), and the laws and regulations administered by the Office of Foreign Assets Control ("OFAC"), apply to all activities conducted by or on behalf of Bayco or involving Bayco products. The application of such laws may result in the imposition of penalties and sanctions on Bayco and Bayco Agents in the event the products supplied by the Bayco are distributed in violation of those laws. Bayco Agents are required to agree that they will comply strictly with all such laws.

It is the expectation of Bayco that all Bayco Agents will comply with all applicable U.S. laws relating to ethical business practices, including the U.S. Foreign Corrupt Practices Act. Bayco Agents are also expected to comply with the requirements of the applicable laws of any other country relating to the conduct of ethical business practices. Bayco Agents should understand that Bayco is subject to the laws of the United States that apply to activities carried on outside the United States, and Bayco Agents understand that they will not take or omit to take any action if such act or omission might cause Bayco to be in violation of any such laws. It is Bayco policy that no payments or gifts of any kind will be made to any government official to obtain any business or business advantage. This policy also prohibits so-called "facilitation payments," which are payments intended to encourage a government official to perform a duty the official is already obligated to perform.

Upon written request from Bayco, Bayco Agents will be expected to promptly provide Bayco with any and all such information that Bayco might reasonably consider necessary to verify compliance with this policy. Each Bayco Agent is expected to maintain adequate export policies and procedures to ensure strict compliance with the EAR, the regulations of the Office of Foreign Assets Control, and any other applicable export regulations.

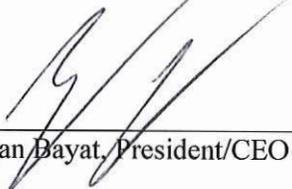
I ask each of you to take this matter very seriously and to support me in this effort. If you have any questions concerning the legitimacy of a transaction or potential violations, please contact:

Eric Wickstrom, Vice President

**Failure to comply with this policy could result in disciplinary action for Bayco employees (including possible termination of employment) and in termination of the business relationship with Bayco for contractors, distributors and business partners.**

**Note:** This Statement of Corporate Commitment to Export Compliance will be issued as necessitated by personnel changes, changes in management, or regulatory changes.

Eric Wickstrom is responsible for disseminating this Statement throughout the organization through Bayco Products, Inc. Export Management and Compliance Program Manual updates, incorporation into training and presentations, and posting on the Bayco Products, Inc. website.

 (SIGNATURE) 2-7-17 (DATE)  
Bijan Dayat, President/CEO

All employees and certain agents are required to read and sign the following verification statement and submit to Bayco corporate offices.

I, \_\_\_\_\_, hereby acknowledge that I received the Bayco Products, Inc. export policy statement dated (02/07/17) and signed by Bijan Bayat, regarding Bayco Products, Inc. commitment to export control compliance. I have read such policy statement and will comply with Bayco Products, Inc. export compliance policies and procedures.

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Printed Name

Signature

Date