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THE CODE FOR BUSINESS CONDUCT WORDS AND DEEDS

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Letter from the CEO

Since the inception of our company, Penske's reputation for integrity and the highest standards of business ethics is one of our greatest assets. As I've often stated, our quest for competitive excellence begins and ends with our commitment to lawful and ethical conduct. Indeed, we have built a global reputation as a company that does business the right way — the Penske way.

I believe our reputation for integrity has never been stronger. Integrity is not simply fundamental to Penske's business success, it is one of the cornerstones upon which our business stands, and all of us are responsible for fostering a culture in which integrity is at the core of every business activity.

That being said, all it takes is one ethical lapse to ruin our good reputation. Consequently, each of us must take on the responsibility of making the right decisions and taking the right actions. At a time when many people are more cynical than ever about business, we must continue every day to do what is necessary to earn and maintain the trust and respect of the people who make up our business partnerships: associates, suppliers, and each and every customer.

This is the reason I'm asking each associate to make a personal commitment to understand and follow the "Words and Deeds" in the Penske Code for Business Conduct. The Code sets forth Penske's message and policies on key integrity issues and guides us in upholding our ethical commitment.

It is also imperative that we have the appropriate channels available to raise compliance concerns. If you don't raise a concern, a bad situation could get worse. If you have a question or concern about what is proper conduct, promptly raise the issue with your manager, the business ethics and integrity hotline, the legal department, human resources, or through one of the many other channels we make available to you. Please do not allow anything — not "making the numbers" or even a direct order from a superior — to compromise your commitment to integrity.

Remember, there is no conflict between excellent financial performance and our commitment to compliance, integrity and ethical conduct. As leaders in our industry and in our communities, we will not condone or tolerate any act or circumstance that compromises our commitment to integrity. People are the key to our business, and associates who perform their work with integrity are vital to maintaining our reputation, increasing our customers' confidence in us and our products and services, and enabling us to continue to grow.

Thank you for your cooperation in continuing to conduct our business according to the highest legal and ethical standards.



Brian Hard
President and CEO



The Penske Way of Doing Business:

Our Code for Business Conduct

- » Abiding by the Code for Business Conduct
- » Code for Business Conduct



Abiding by the Code for Business Conduct

What you should learn from this document

Every day, every associate at Penske has the power to influence our company's reputation everywhere we do business. The Code for Business Conduct is a foundation that ensures that we all know how to act with absolute integrity.

Over the years, we have worked hard to uphold the highest standards of ethical business conduct. We go beyond simply obeying the law; we embrace the commitment to integrity.

Our Code for Business Conduct explains what that commitment means by establishing general principles for our daily conduct, whatever our role is at Penske.



Key Actions for all Associates

Each associate contributes to Penske's culture of compliance by embracing Penske's commitment to integrity. It is incumbent upon each one of us to understand the policies and raise concerns.

Understand Penske policies

- Gain a basic understanding of the policy requirements summarized in the Code
- Learn the details of policies relevant to your job
- Contact Penske for the Penske Procedures Manual
- Go to your manager, the business ethics and integrity hotline, the legal department or other Penske resources with any questions about the policies or procedures

Raise your concerns

- Promptly raise any concerns about potential violations of any Penske policy
- Understand the different channels for raising integrity concerns: business ethics and integrity hotline, managers, the legal department, the human resources department (HR), internal audit, or other compliance resources
- Cooperate in Penske investigations related to integrity concerns



Key Actions for Leaders

A leader must create a culture of compliance — a culture in which associates understand their responsibilities and feel comfortable raising concerns. You can encourage ethical conduct and compliance with the law by personally leading compliance efforts and ensuring that associates never need to fear the possibility of retaliation. When evaluating and rewarding associates, consider their compliance efforts and ensure that they understand that business results are never more important than ethical conduct and compliance with Penske policies and applicable laws.

Prevent compliance issues

- Create a culture where associates are comfortable raising integrity concerns
- Identify business compliance risks
- Ensure that processes, tailored to address your particular risk areas, are communicated and implemented
- Provide education on Penske’s policies and applicable laws to associates and (where appropriate) third parties

Detect compliance issues

- Use control measures, such as dashboards and scorecards, to detect compliance risks or violations
- Promote an effective compliance program
- Ensure that periodic compliance reviews are conducted, with the assistance of compliance leaders or internal audit

Respond to compliance issues

- Take immediate corrective action to fix compliance weaknesses
- Carry out appropriate disciplinary action
- Consult with the legal department and make appropriate disclosures to regulators and law enforcement authorities
- Never look the other way when confronted by a compliance problem



Code for Business Conduct

Our guiding principles

- 1 Ensure that all your interactions are fair and responsible, whether they involve customers, business partners or related contacts.
- 2 Be respectful and apply good judgment in your work, as well as in personal activities that impact work.
- 3 Protect our records and information.
- 4 Help sustain a culture that recognizes and values ethical conduct.



Working With Our Customers, Business Partners and Related Contacts

- » Our Code of Ethics
- » Preventing Improper Payments
- » Preventing Money Laundering
- » Applying Competition and International Trade Law
- » Using Personal Data

Our Code of Ethics

We are proud of our reputation for lawful and ethical behavior and fair dealing, and we depend on our dedicated and talented associates to maintain these high standards.

We honor the laws and the intent behind them, and our associates conduct their business activities ethically, while complying with all legal requirements and policies.

We also ensure that our suppliers apply ethical practices in their businesses. This allows us to build a strong working relationship with them and strengthens the reputations of both our suppliers and Penske.

Code of Ethics [definition]

The standards Penske follows in conducting business in the marketplace. These standards are based on both the laws it must obey and the ideals of the particular business.

Potential problem areas

- Choosing suppliers on any basis other than open, competitive bidding
- Potential conflicts of interest in supplier selection, such as accepting improper gifts or other items of value
- Tolerating a supplier's use of physical or mental coercion or corporal punishment

Things to do

- Comply with all applicable laws and regulations regarding working conditions
- Only do business with suppliers that comply with all applicable legal requirements and Penske's guidelines relating to labor, the environment, health and safety

More detail

The following is a partial list of additional things to remember. In general, suppliers must follow the same rules in their business as we do.

- Comply with all applicable minimum wage and overtime requirements for employees
- Comply with applicable environmental laws and regulations and cooperate with the government and the public to enhance and protect the quality of the environment



- If Penske determines that any supplier or vendor has violated the principles set forth in this Code of Ethics, we may either terminate our business relationship or require the supplier or vendor to implement a corrective action plan
- Safeguard confidential and proprietary information
- Do not direct business to a supplier owned or managed by a relative or close friend
- Bring attention to unsafe conditions you see in facilities
- Before entrusting personal data or confidential information to suppliers, ensure that they have appropriate technical, physical and organizational measures to prevent unauthorized access or use
- Do not discriminate against associates on the basis of race, gender, sexual orientation, ethnicity, religion, nationality, personal beliefs or cultural differences
- Employ people based upon their ability to perform a needed function, not on the basis of their personal beliefs or characteristics
- If a supplier's associates appear to be underage or subject to coercion, bring it to the attention of your supervisor or our legal department
- Comply with applicable laws and government regulations covering supplier relationships
- Penske associates are prohibited from engaging in any form of bidding on any vehicle auctioned through any type of Penske vehicle auction

Preventing Improper Payments

An improper payment is unacceptable in any situation. It exposes you and Penske to possible criminal prosecution. Penske prohibits improper payments in all business dealings, in every country around the world, whether dealing with the government or the private sector.

Improper payments should not be confused with reasonable and limited spending for gifts, business entertainment, and customer travel and living expenses directly related to the promotion of products, services, or the execution of a contract. These payments are acceptable, subject to specific Penske corporate and business guidelines.

Improper payment [definition]

Any payment that is not allowed (whether to a person/company or for a service). Improper payments include duplicate payments, payments for services not received, and payments in exchange for someone exercising discretion in your favor.

Potential problem areas

- Offering business courtesies, such as gifts, contributions or entertainment, under circumstances that might create the appearance of an impropriety
- Offering, promising, paying or authorizing anything (such as money, goods or services) to a government official or associate of a customer to obtain or retain an improper advantage

Things to do

- Ensure that you understand all the legal requirements regarding reimbursement of customers' expenses
- Make sure reimbursement records accurately reflect each transaction
- Consult with the legal department before making any payments that could appear to be improper

More detail

There are many potential forms of improper payment. The following is a partial list of additional things to remember:

- Follow our due diligence procedures when selecting persons or firms to represent Penske



- Require any person or firm that represents Penske (such as a consultant, agent, sales representative, distributor or contractor) to comply with our improper payments policy and related laws
- Do not give a gratuity, a payment to a foreign government official or associate, or anything of value unless specifically approved in advance by the Legal Department after full disclosure
- Do not contribute company assets for political purposes in the U.S. without the prior approval of the legal department
- Do not contribute company funds or other company assets for political purposes outside the U.S. without the approval of the legal department
- Although some national laws include an exception for “facilitating payments” to expedite a routine administrative action to which a person is otherwise entitled, check with the legal department before taking any actions
- Associates located outside the U.S. must comply with laws, regulations, rules and regulatory orders of the U.S., including the Foreign Corrupt Practices Act (FCPA) and U.S. export control laws, in addition to local laws

Preventing Money Laundering

We fully comply with all anti-money laundering (AML) and anti-terrorism laws wherever our businesses are located. We only conduct business with reputable customers involved in legitimate business activities and use funds derived from legitimate sources.

At Penske, we are required to implement due diligence procedures and take reasonable steps to prevent and detect unacceptable and suspicious forms of payment. Detecting and preventing customer relationships and transactions that place Penske at risk protect our company's integrity, reputation and ability to conduct legitimate business.

Contact Penske for complete information on AML policy.

Money laundering [definition]

Financial transactions used to conceal illegally gained money. These transactions may include tax evasion or false accounting. A related term, reverse money laundering, means the use of financial transactions to conceal the use of legal money for illegal activity.

Potential problem areas

- Customers or business partners that are reluctant to provide complete information
- Proceeding with suspicious transactions prior to resolving your concerns via the risk management department and seeing documentation of a resolution

Things to do

- Comply with all applicable laws prohibiting money laundering
- Follow our rules regarding acceptable forms of payment found in our AML Policy
- If you encounter suspicious activity, immediately raise your concern with the legal or corporate security departments

More detail

There are many ways to prevent money laundering, including the items in this partial list:

- Comply with all applicable laws and regulations that prohibit money laundering or the support and financing of terrorism
- Comply with laws that require reporting suspicious transactions, such as large or unusual cash purchases



- Follow good “know your customer” procedures, i.e., collect and understand documentation about prospective customers, agents and business partners to ensure that they are involved in legitimate business activities and their funds come from legitimate sources
- Check unusual payments, such as multiple money orders or travelers checks, or checks on behalf of a customer from an unknown third party
- Watch out for customers or business partners that provide insufficient, false or suspicious information
- Watch out for customers or business partners that are anxious to avoid recordkeeping or reporting requirements
- Watch out for payments using monetary instruments that appear to have no identifiable link to the customer, or have been identified as money laundering mechanisms
- Be wary of attempts by a customer or proposed business partner to pay in cash
- Be careful of early payment of a loan in cash or cash equivalents
- Watch for orders, purchases or payments that are unusual or inconsistent with the customer’s trade or business
- Watch for unusually complex deal structures, payment patterns that reflect no real business purpose, or unusually favorable payment terms
- Be careful of unusual fund transfers to or from countries unrelated to the transaction or not logically tied to the customer
- Watch out for transactions involving locations identified as secrecy havens or areas of known terrorist activity, narcotics trafficking or money laundering activity
- Watch out for transactions involving foreign shell or offshore banks, unlicensed money remitters or currency exchangers, or nonbank financial intermediaries
- Watch for requests to structure transactions to evade recordkeeping or reporting requirements (e.g., multiple transactions below the reportable threshold amounts)
- Watch for requests to transfer money or return deposits to a third party or unknown or unrecognized accounts

Applying Competition and International Trade Law

These laws apply to all aspects of Penske's operations. They can be very complex, but carefully following competition and international trade control (ITC) laws ensures a strong ethical business both locally and globally. Make sure to check with the legal department if you have any questions regarding how to properly stay within the boundaries of these laws.

Competition law [definition]

Also known as antitrust law. These laws prohibit agreements or practices that reduce or restrict free trade and competition between businesses. They are also used to control mergers, acquisitions and joint ventures and to regulate firms that dominate markets.

International trade control law [definition]

Rules and customs for handling trade (movement of goods, services and technology) between countries or between private companies in different countries.

Potential problem areas

- Proposing or entering into agreements or understandings — formal, informal or implied — with any competitor regarding any aspect of the competition between Penske and the competitor
- Customers or suppliers that appear to be evading ITC laws

Things to do

- Involve the Legal Department early in the process of developing new commercial initiatives
- Consult with your manager if a transaction involves a conflict between U.S. law and applicable local laws, such as the laws adopted by Canada, Mexico, Brazil, China and the members of the European Union blocking certain U.S. restrictions
- Consult with the legal department to help reduce the risks of noncompliance in the evaluation of any proposed merger, acquisition, joint venture or any other business arrangement that could raise competition law issues

More detail

There are many factors and situations that impact competition and ITC laws. The following is a partial list of additional things to remember:

- Exchanges of information across national boundaries, including email and web access, are subject to trade controls
- The U.S. controls the release of technical information to non-U.S. nationals within the U.S.
- Avoid contacts with competitors that could create the appearance of improper agreements or understandings
- Do not propose or enter into agreements or understandings with customers that restrict the price or other terms at which the customer may resell or lease a product or service to a third party
- Do not propose or enter into agreements or understandings with suppliers that restrict the price or other terms at which Penske may resell or lease any product or service
- Do not make exclusive arrangements for the purchase or sale of products or services
- Review and understand both Penske and business-specific policies and procedures and if you have questions or issues, discuss them with the legal department
- Things you should not discuss with a competitor include prices, sales territories, profit margins, customer bids, market share, distribution methods, etc.
- Check the export classification of the product, software or technology prior to export to determine whether special authorization is required
- Screen your transactions against all applicable rules that restrict transactions with certain sanctioned countries, persons and prohibited end uses
- Screen all business partners, suppliers and parties involved in your international transactions against government-provided watch lists
- Do not execute transactions with embargoed countries, citizens or representatives of embargoed countries or individuals or entities subject to government sanctions

Using Personal Data

Our work often requires that we access, provide and, for certain services, keep personal data on file. This may include names, home or office contact information, and more. The use and protection of this data is regulated by law.

We comply with all applicable laws regarding the collection of customer or associate information. Only associates who need personal data to perform their duties are allowed access to this information. The failure to adequately protect sensitive personal data could result in significant penalties levied against the company.

Personal data use [definition]

Refers to how we control access to the personal data we have on file as a result of our work with customers and associates. This controlled access protects their privacy.

Potential problem areas

- Sharing any customer's personally identifiable data if the customer tells you not to share it
- Sharing personal data with third parties without checking with the legal department for guidance

Things to do

- Only keep data that is necessary for the work we are performing
- Only access personal data if your job requires it
- Check with the legal department if you have any questions regarding personal data

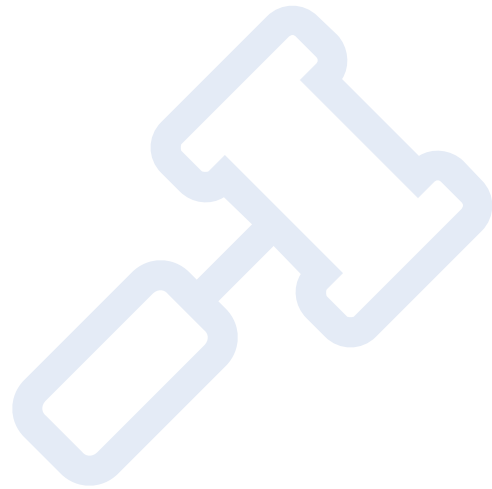
More detail

There are many factors impacting the use of personal data. The following is a partial list of additional things to remember:

- Watch for inadequate security controls for personal data, such as emailing or otherwise distributing personal data to a larger group than legitimately needed or leaving print-outs with personal data at a printer, copy machine or fax machine for others to see
- Personal data can only be used for legitimate business purposes
- Personal data may be used to fulfill customer needs and requests for services and information



- Customer personal data (other than personally identifiable information) may be used to conduct marketing activities, improve services or improve our website
- Ensure that the data we keep is accurate
- Check with the legal department to verify which types of information may be shared with third parties
- Only customer personal data that does not contain personally identifiable information about a customer (e.g., aggregated nonpersonal data) may be shared, sold, leased, rented or transferred to an unaffiliated entity without the consent of the customer
- Customers may correct or modify personal data concerning themselves if they request to do so
- Contact Penske for data classification guidelines



Applying Good Judgment

- » Carrying Out Fair Employment Practices
- » Steering Clear of Conflicts of Interest
- » Protecting Associates and Safeguarding the Environment
- » Providing Security and Crisis Management
- » Preventing Software Piracy
- » Dealing with Disruptive Behavior in the Workplace
- » Using Email and the Internet
- » Making Political Contributions

Carrying Out Fair Employment Practices

Fair employment practices keep Penske in compliance with applicable labor and employment laws, and they contribute to a culture of respect. We are committed to complying with all laws pertaining to freedom of association, privacy, collective bargaining, immigration, working time, wages and hours, as well as laws prohibiting forced, compulsory child labor and employment discrimination. We strive to create an environment that is considerate of all associates.

Fair employment practices [definition]

Refers to laws and programs in place to ensure that workplaces are free of discrimination. This includes guidance on the Americans with Disabilities Act and the Family Medical Leave Act; handling discipline, grievances and termination; handling bias charges; and dealing with workplace harassment, sexual harassment and other compliance issues.

Potential problem areas

- Promoting a hostile work environment (e.g., telling jokes or displaying materials that ridicule or offend a member of a particular race, sex or ethnic group)
- Refusing to work or otherwise cooperate with individuals because of their race, religion, sex or other characteristic protected by law
- Disclosing employment data to a person who does not have the business need, authority or the subject's consent

Things to do

- Base employment decisions on job qualifications (e.g., education, prior experience) and merit (e.g., skills, performance, values, leadership and other job-related criteria)
- Provide a work environment free of harassment and bullying
- If a conflict arises between the requirements of this policy and the laws, customs or practices of a particular area, consult with management and the legal department to determine the most appropriate course of action

More detail

- Make all employment-related decisions and take action without regard to a person's race, color, religion, national origin, sex (including pregnancy), sexual orientation, age, disability, veteran status or other characteristic protected by law

- Respect the privacy rights of associates by using, maintaining and transferring personal data only in accordance with Penske's employment data protection standards
- Remember that while Penske seeks to maintain associates' privacy, Penske reserves the right to monitor the use of company property, including computers, email, phones, PDAs, proprietary information, etc., in accordance with applicable laws
- Do not make unwelcome sexual advances to another associate or person with whom you work
- Do not violate labor laws (e.g., hiring a child under the legal minimum age)
- Do not take adverse action against an associate (e.g., firing) because the associate has raised a concern about a violation of a policy or law
- Contact Penske for more complete information on the company's anti-harassment policy

Steering Clear of Conflicts of Interest

It's crucial that you avoid circumstances and situations, both at work and at home, that might give rise to even the appearance of a conflict of interest. While you may take part in legitimate financial, business or other activities outside of your job, they must be lawful and free of conflict with your responsibilities as a Penske associate.

Conflict of interest [definition]

A conflict of interest is any circumstance that could cast doubt on a person's ability to act totally objectively regarding the company's interests or any situation that benefits the individual to the detriment of the company.

A conflict of interest can arise in situations or circumstances involving family members, friends or others. Even the appearance of a conflict of interest can be harmful and should be avoided.

Potential problem areas

- Accepting gifts or favors from business contacts
- Using Penske resources for outside businesses
- Engaging in preferential treatment of friends, family or other businesses

Things to do

- Use good judgment in your business dealings
- Get approval before accepting positions with businesses outside of Penske
- Consult with your manager, the legal department, or the business ethics and integrity hotline if you face any situation that could appear to be a conflict of interest

More detail

Because of the sensitivity of conflict of interest issues, there are several actions you should be careful to avoid. The following is a partial list:

- Directing business to a supplier that is owned or managed by the employee or his or her relative or close friend
- Receiving any gift, entertainment or favor from a supplier, customer or any other person that creates a sense of obligation or could be embarrassing to Penske if disclosed

- Holding a financial interest in a company where you could personally affect our business with that company
- Taking a part-time job where you may be tempted to spend time on that job during your normal Penske working hours
- Using our proprietary information, facilities, equipment, email or computer applications for an outside business or consulting activity for yourself or friends or family
- Misusing Penske's resources or your position/influence to promote or assist an outside business or not-for-profit activity
- Receiving personal discounts or other benefits from suppliers, service providers or customers not available to the general public or similarly situated associates
- Taking an opportunity for personal benefit in which Penske could have an interest, where you discover the opportunity through the use of Penske information, property or position
- Preferential hiring of, direct supervision of, or making a promotion decision about a spouse, relative or close personal friend
- Romantic or other personal relationships that may create a conflict of interest with your responsibilities in the company or compromise its interests

Protecting Associates and Safeguarding the Environment

Through management leadership and associate commitment, Penske works to conduct its operations in a manner that looks out for the health and safety of our associates and minimizes environmental impact. This policy affects all company activities, including the equipment we use in performing our work, waste and emissions handling, and the type of products we offer.

Environment, health and safety (EHS) [definition]

This refers to our compliance with all the laws and regulations in place to create a safe workplace, prevent injuries and protect the environment.

Potential problem areas

- Failure to use personal protective equipment (shoes, safety glasses, hearing protection, gloves, monitors, etc.)
- Exposed or unsafe wiring
- Blocked fire or emergency exits

Things to do

- Comply with environment, health and safety laws and regulations
- Create and maintain a safe working environment and prevent workplace injuries
- Prevent pollution and conserve, recover and recycle materials, water and energy
- Immediately alert your manager if you see unlawful or unsafe conditions

More detail

- Assess EHS legal and reputational risks before starting new activities or ventures or before offering new services or participating in new businesses
- Consider EHS impact when designing or implementing Penske's products and services
- Eliminate unreasonable EHS risks from Penske's facilities, services and activities
- Work to make EHS systems an integral part of Penske's operations
- Support the goals of the EHS policy by presenting your applicable ideas to your manager
- Ensure that all chemicals are approved and labeled

- Drive safely, wear seat belts and follow Penske's policy for safe and lawful operation of company vehicles
- Use fall protection when working in high places
- Follow guidelines for working beneath heavy or suspended loads
- Follow safety procedures for working on electrical or powered equipment (e.g., lock, turn off, unplug, etc.)
- When working at customer sites, ensure applicable EHS protocols are followed
- Reduce toxic and hazardous material
- Reduce potential exposure to serious infectious diseases
- Do not disable safety controls or guards on equipment and machinery

Providing Security and Crisis Management

To protect the security of our associates, workplaces, information and businesses, we have a comprehensive security and crisis management (SCM) plan. Our plan protects our associates, facilities, information and information technology (IT) infrastructure from criminal acts. There are also aspects of the plan in place to help us provide business continuity while managing crisis situations, including terrorist activity.

Security and crisis management [definition]

Security and crisis management is the plan for the protection of our associates, facilities, information and IT assets to ensure safety and security. This plan also ensures safe business continuity during emergencies.

Potential problem areas

- Inadequately protected hazardous materials in a work area
- Unauthorized entry into one of our facilities
- Unsecured assets, such as tools, laptops, servers, etc.

Things to do

- Participate in emergency planning and emergency drills
- Comply with facility entry and exit rules, wear badges where appropriate
- Promptly report security issues or concerns to Penske's vice president of security

More detail

- Implement rigorous plans to address the security of associates, facilities, information, IT assets and business continuity
- Protect access to our facilities from all but authorized personnel
- Comply with global immigration rules when traveling internationally; ensure that associates or visitors who work for you or are closely associated with your business operations also comply
- Comply with our international travel policies and obtain appropriate pre clearances to designated countries

- Conduct appropriate background checks on new hires and contractors, wherever allowed by law
- Ensure proper business continuity plans are prepared for an emergency
- Screen customers, suppliers, agents and dealers against appropriate terrorist watch lists
- Report anything that might be a security lapse to your manager or the vice president of security
- Watch for unknown individuals not wearing appropriate identification
- Be aware of security complaints from associates, customers or neighboring businesses
- Be careful of conducting business with a customer, supplier or any third party that has not been sufficiently screened
- See Penske Unusual Contact Policy
- See Penske Vehicle Asset Protection Policy

Preventing Software Piracy

The unauthorized copying of computer software is prohibited, and the use of an unauthorized copy made by you or someone else is also prohibited. The money paid for a software product generally represents a licensing fee for the use of a specified number of copies. Copying computer software contrary to the terms of the applicable license agreement is prohibited.

Software piracy [definition]

The unauthorized copying and using of commercial software purchased by someone else.

Potential problem areas

- Copying or borrowing software
- Using software improperly copied by someone else

Things to do

- Ensure that you only use properly purchased and installed software on Penske computers

More detail

- Most computer software is protected by copyright law
- Reproducing software without authorization violates U.S. copyright law and can subject both Penske and any associate making or using such copies to serious legal consequences

Dealing with Disruptive Behavior in the Workplace

A safe and productive environment is important to the morale of the entire company. Disruptive behavior can include threats or actual violence in the workplace. In the rare situations where these occur, it is important to know what actions to take for the safety of associates and customers.

We also work to prevent or respond to violent behavior by non-associates while on Penske property, operating Penske equipment, or otherwise related to the interests of our associates or our business.

Contact Penske for information about weapons on company property.

Threat [definition]

Statements or actions that place a person or group under fear or anticipation of violence, including menacing gestures; telephone calls; emails; displaying a weapon, hate object or picture of violence; stalking; bullying; or statements of dire consequences if certain actions are or are not taken.

Workplace violence [definition]

Any act, either on Penske property or while performing any work-related duties, that threatens your safety or that of a customer; negatively affects your life or well-being or that of a customer; or damages your property or that belonging to Penske or a customer.

Potential problem areas

- Threats or acts rising to the level of workplace violence by an associate
- Touching a potentially violent person or physically trying to remove him/her
- Mentioning “calling the police” to a potentially violent person

Things to do

- Everyone is responsible for maintaining a safe working environment
- Use a calm, nonconfrontational approach (move slowly, speak softly and act confidently) in potentially violent situations
- If a situation escalates, excuse yourself and get help immediately

More detail

Disruptive or violent situations require an immediate response for the safety of everyone. The following is a partial list of additional things to remember:

- Penske has a zero tolerance policy for workplace violence
- Do not fight or engage in any violent physical contact
- If a situation escalates, remember that your goals are escape and survival
- Report incidents to your supervisor or manager as quickly as possible
- Associates must cooperate with Penske's investigations of threats or acts of violence in the workplace
- Associates may be terminated or disciplined for possession of firearms, ammunition, explosives or other weapons, or use of any knife, tool or other object that could be utilized as a weapon, while on Penske property
- Do not stalk, harass, threaten or intimidate others with physical violence
- Any associate who engages in violent or disruptive behavior will be evaluated for appropriate treatment or discipline (this includes being terminated)
- Associates who seek assistance to avoid engaging in threats or acts of violence in the workplace will be referred to an assistance program or another source of assistance, such as a local agency or community outreach program, if requested
- Penske makes every effort to help violence-prone associates find counseling and treatment, but the facts of the particular case may still require the associate to be disciplined or immediately terminated
- Immediately report suspected incidents of domestic violence involving co-workers to your manager or the vice president of security for the safety of all concerned

Using Email and the Internet

We provide authorized associates access to the internet for business purposes, and our email system is a business tool used for business purposes. Reasonable personal use is allowed, but this use should always be conducted in a professional manner.

Electronic mail (Email) [definition]

Any method of creating, transmitting or storing primarily text-based communications by using digital communications systems (computers and the internet).

Internet [definition]

A global system of interconnected computer networks used to exchange data, including email, online chats, files, databases, news groups, and the documents and other resources found on the World Wide Web (WWW).

Potential problem areas

- Including anything in an email message that you wouldn't put in another form of permanent communication
- Using imprecise words, ambiguous phrases, false statements, sarcasm, exaggeration, emotionalism, inflammatory imagery and inappropriate humor
- Sending anything via the internet or in email containing confidential or privileged communications, such as confidential Penske information, privileged attorney-client communications or trade secrets

Things to do

- Always assume that anything you write in an email message is permanent and retrievable, even after it has been deleted from the system
- Make sure the underlying transaction or decision and the words in an email message are lawful and comply with Penske policies
- Remember that anything you write in an email may become evidence in a courtroom through the process of discovery
- Consult with the information technology department before downloading software or data from the internet (it may contain viruses)
- Do not download software or data from the internet without the prior approval of the Information technology department

More detail

- Our internet connection and email system are tools for business communication; personal use may not interfere with company business
- Do not participate in online gambling, chain letters or “prize schemes”
- As in any business document, email writing should be clear, concise and careful
- All messages and other materials accessed, stored, created, received or sent using Penske’s internet connection or email system are Penske’s property
- Associates don’t have personal privacy or proprietary rights in any messages or other materials they store, create, receive or send on the internet or using the email system
- Penske may enter the email system to review, copy, delete or disclose messages or other materials
- Penske may enter the system and monitor an associate’s use of the internet
- The associate’s use of the internet is a revocable right granted by Penske
- Neither our internet connection nor email system can be used to store, create, receive or send pornographic, obscene, racist, sexist or otherwise offensive or unlawful messages or materials
- Only disclose the contents of email messages to authorized persons
- Handle copyrighted information carefully; inappropriate copying can lead to legal liability
- Associates are prohibited from the unauthorized use of Penske’s name on the internet
- Do not post defamatory or misleading statements that may be attributable to Penske

Making Political Contributions

We support active participation in the political process, and we urge associates to support the candidates and issues of their choice. As a company, Penske communicates its views to legislators, governmental agencies and the public regarding how policies and practices impact our business operations.

Political contribution [definition]

Spending funds or using services, facilities or other assets directly or indirectly on behalf of a political organization, campaign or candidate for public office.

Potential problem areas

- Making any type of political contribution without getting prior approval
- Charging different rates to campaign organizations

Things to do

- Penske should only make contributions that are permitted by law
- Check with the legal department before making contributions if there are questions

More detail

- Penske may spend funds in connection with lawful lobbying activities
- The president must give advance approval for any type of political contribution made by Penske
- Political campaign organizations and candidates will be charged commercially reasonable rates for vehicle rentals, with a full deposit (cash, credit card or certified check) to be paid in advance for the estimated amount
- Vehicle rentals to political campaign organizations and candidates will be monitored to assure that the rental charges do not materially exceed the deposit and that the vehicle is returned on or about the same date as promised
- Credit cards, such as Penske's fuel cards, will not be issued to any political campaign organization or candidate



Protecting Our Assets and Information

- » Complying with Security and Homeland Security Policies
- » Caring for Material, Nonpublic Information and Preventing Insider Trading
- » Keeping Accurate Books and Records
- » Preserving Intellectual Property



Complying with Security and Homeland Security Policies

To protect our assets from misuse, we have systems in place that help us check the eligibility of our customers and suppliers and counter the possibility of terrorist activities. It's important that we know our customers and suppliers. Being blind or indifferent to the existence of terrorist activity could, under certain circumstances, be enough to justify a penalty or other legal liability for our company. There are actions you should take to help.

Contact Penske for information on Penske's anti-terrorism policy.

Asset security and homeland security [definition]

Actions taken to prevent the use of Penske assets for illegal or terrorist activities.

Potential problem areas

- Do not conduct business with any enterprise or person known or reasonably believed to be involved in terrorism
- Do not tell a customer he/she is on a watch list; inform your supervisor for verification and information on next steps

Things to do

- Associates must follow "Know Your Customer" and "Know Your Supplier" procedures
- Screen customers and suppliers against the watch lists
- Immediately report suspicious activity or behavior to management

More detail

- The watch lists and updates that we track include the OFAC List of Specifically Designated Nationals and Blocked Persons, the OSFI Consolidated List, the FBI's Hijack Suspects List, and the FBI's Most Wanted Terrorists List
- The names of customers, suppliers, associates and potential associates will be screened against the watch lists
- The customer and supplier base will be periodically scanned against the updated watch lists
- All rental reservations and all drivers of rental vehicles are screened against the watch lists



- Document any actions or reporting regarding the names of customers that appear on watch lists
- The associate base is periodically scanned against updated watch lists
- All rental transactions are screened against the watch lists (manual screening is used where RentalNet is not available)
- Suppliers are required to do background checks of their relevant associates, and we retain the right to audit the supplier's compliance with this requirement
- Penske associates arranging for auction sales must coordinate with the vice president of vehicle remarketing to conduct due diligence before consigning any equipment to an auction house to ensure that it has adequate screening and "Know Your Customer" routines
- Refer any transactions that raise red flags or any other suspicious activity or behavior immediately to the general counsel, the vice president of risk management, the corporate security department, or the assistant general counsel to determine whether the transaction, activity or behavior is indicative of known or suspected terrorist activity



Caring for Material, Nonpublic Information and Preventing Insider Trading

While conducting Penske's business, our associates may become aware of material, nonpublic information about Penske, its affiliated companies, and the companies with which Penske or its affiliates do business. There are civil and criminal penalties for people who trade (i.e., buy or sell) a stock or security while in possession of this sort of insider information. Avoid problems by being aware of the rules regarding insider information.

Insider trading [definition]

Trading of a corporation's stock or other securities by individuals with potential access to nonpublic information about the company, whether the information is gained firsthand or from someone else.

Nonpublic information [definition]

Confidential information not previously disclosed to the general public via a press release, news conference, Dow Jones ticker announcement or inclusion in information filed with the U.S. Securities and Exchange Commission.

Material information [definition]

Information about the business and operations of a company which would be considered important by an investor when deciding to buy, sell or hold a particular stock or security.

Potential problem areas

- Discussing material, nonpublic information with family, friends or business associates
- Purchasing, selling or advising the purchase or sale of the stock or securities of Penske, any of its affiliates, or any of the companies with which they do business while in the possession of material, nonpublic information

Things to do

- Only discuss material, non public information with other associates if they have a clear right and need to know
- Check with the legal department if you have any questions



More detail

- Disclosure is completed when the information has been available long enough to be reported in the news media or after a period of time sufficient to permit the investing public to consider the information
- Material, nonpublic information includes dividend and earnings announcements, significant mergers and acquisitions, major marketing changes, technological developments, and significant effects of a casualty loss
- Penske associates will not purchase, sell or advise the purchase or sale of the stock or securities of Penske, any of its affiliates, or any of the companies with which they do business while in the possession of material, nonpublic information. This prohibition applies regardless of the dollar amount of purchase or sale, whether a profit is made, or the source of the information.
- It is Penske's responsibility, not the associate's, to make appropriate disclosures about Penske, its affiliates, and the companies with which they do business



Keeping Accurate Books and Records

We maintain accurate and complete books, records and accounts and we have accounting controls in place to ensure that Penske's books, records and accounts accurately and completely reflect all its transactions, including how its funds and other assets are used.

Potential problem areas

- Giving out, maintaining or taking in unrecorded funds
- Starting, using or maintaining any unrecorded bank accounts

Things to do

- Only retain cash funds that are reasonably required for normal business operations
- Properly show all transactions in the correct books, records or accounts
- Ensure financial and nonfinancial information and operating metrics are reported accurately and in a timely fashion
- Ensure complete, accurate and timely records and accounts are maintained to appropriately reflect transactions, and make sure the appropriate documents and records are preserved
- Check with the legal department if you have any questions regarding accurate books and records

More detail

- Do not make payments for any purposes other than those designated in Penske's books, records and accounts
- Barter transactions are discouraged
- The use of all Penske funds must be properly tracked and recorded
- Sound processes and controls must be maintained to accumulate and report information consistently, correctly and in a timely and unbiased manner
- Forecasts and assessments must be timely and candid



Preserving Intellectual Property

Respecting the intellectual property (IP) rights of others and protecting our IP as well is critical to good business. IP is one of a company's most valuable assets. Unauthorized use of others' IP can expose Penske and even individual Penske associates to civil lawsuits and damages that include significant fines and criminal penalties. To protect our IP and guard against the risk of improperly using others' IP, we should conduct timely and reasonable reviews of new Penske products, services, processes and software, for possible inventions and trade secrets and infringement of the IP rights of others.

Intellectual property [definition]

Creations of the mind, both artistic and commercial. Owners are granted certain exclusive rights for control of their ideas, discoveries and inventions, words, phrases, symbols and designs. Common types of IP include copyrights, trademarks, patents, trade secrets and related rights.

Potential problem areas

- Accepting or using proprietary information belonging to an outsider, without first consulting the legal department
- Discussing Penske's proprietary information with customers, suppliers or any third party without a right or need to know

Things to do

- Identify and protect Penske's IP
- Respect the IP rights of others, including patents, trademarks, copyrighted materials, etc.
- Consult with the legal department concerning necessary licenses or approvals to use protected IP of others (such as patents, trademarks or proprietary information)

More detail

- Do not forward an outsider's new product, product feature, service or name suggestion for review without following Penske's procedure for submitting ideas
- Consult with the legal department if you suspect someone of infringing on Penske's IP
- Comply with the guidelines for use of Penske's trademarks and trade names
- Do not use another company to develop new products or software without a written agreement approved by the legal department



- Do not introduce or provide information about a new product before patent applications have been filed or a decision has been made not to file a patent application
- Check for patent and trademark infringement before introducing a new product/product name or new service/service name
- Before employing a new person who has worked for a competitor, ensure safeguards are in place to prevent the person from accidentally disclosing or using proprietary information from his/her previous employer
- Ensure that employees have signed the Associate Innovation and Proprietary Information Agreement (AIPIA) if they hold jobs where inventions are likely to be made (signed by exempt associates and other associates in a position of trust or likely to make inventions)
- Consult with the legal department if you have any questions about the AIPIA



Sustaining an Ethical Culture

- » Raising Integrity Concerns
- » Acknowledging Your Personal Commitment



Raising Integrity Concerns

Your responsibilities and concerns

Raising an integrity concern protects the Penske community: our company, associates and stakeholders. If you have a concern about compliance with Penske policy, you have a responsibility to raise that concern.



Raise Integrity Concerns Early

The longer we wait to address a concern, the worse it may become.



You May Remain Anonymous

However, if you identify yourself, we are able to follow up with you and provide feedback.



Confidentiality Is Respected

Your identity and the information you provide will be shared only on a need-to-know basis with those responsible for resolving the concern.



Retaliation Violates Penske Policy

Penske absolutely prohibits retaliation against anyone for raising or helping to address an integrity concern. Retaliation is grounds for discipline up to and including dismissal.



Contact Information for Raising Integrity Concerns

How to raise integrity concerns

Penske offers many ways to get answers to your questions about integrity issues and to raise any concern about what might be a violation of Penske policy:

- Your supervisor or manager
- Your HR representative
- Next level of management
- Penske corporate contacts
- Penske's business ethics and integrity hotline

What happens when an integrity concern is raised?

Penske's investigation process for compliance concerns includes:

1**Assigning an investigation team:**

Experts with the right knowledge and objectivity are assigned to investigate.

2**Conducting an investigation:**

The team determines the facts through interviews and/or review of documents.

3**Corrective action:**

If necessary, the team recommends corrective actions to the appropriate managers for implementation.

4**Feedback:**

The person raising the concern receives feedback on the outcome, unless he or she wishes to remain anonymous.

Penske absolutely prohibits retaliation.



Penalties for Code for Business Conduct violations

Associates and leaders who violate the spirit or letter of Penske's policies are subject to disciplinary action up to and including termination of employment. Misconduct that may result in discipline includes:

- Violating Penske policy
- Requesting others to violate Penske policy
- Failure to promptly raise a known or suspected violation of Penske policy
- Failure to cooperate in Penske investigations of possible policy violations
- Retaliation against another associate for reporting an integrity concern
- Failure to demonstrate leadership and diligence to ensure compliance with Penske policies and law

Penske Code for Business Conduct Contacts

David Battisti

Executive Vice President and General Counsel

Office: **610-775-6484**

david.battisti@penske.com

Jennifer Sockel

Executive Vice President – Talent and Enterprise Services

Office: **610-775-6380**

jennifer.sockel@penske.com

Sarah Smith

SVP – Human Resources and Total Rewards

Office: **610-775-6282**

sarah.smith@penske.com

Christina Fletcher

SVP – Human Resources Logistics

Office: **610-775-6491**

christina.fletcher@penske.com

Scott Brunner

VP Security

Office: **610-775-6325**

scott.brunner@penske.com

Kristin Morgan

Assoc. General Counsel – Compliance

Office: **610-775-6498**

kristin.morgan@penske.com

Generally, your supervisor or manager will be in the best position to resolve the issue quickly.

If after raising an integrity concern the issue is not resolved, discuss it with one of the other contacts listed above.



You can raise your concern verbally or in writing, and you can do it anonymously.

Penske prohibits any associate from retaliating or taking adverse action against anyone for raising or helping to resolve any integrity concern.

For general business integrity and compliance concerns such as: (a) financial controls; (b) environment, health or safety; (c) business integrity, ethics and legal; (d) Code for Business Conduct Policy; or (e) workplace-related concerns, such as discrimination, harassment or hostile work environment:

Call toll-free:

888-550-7971

24 hours a day, 7 days a week



Acknowledging Your Personal Commitment

I acknowledge that I received and read Penske's Code for Business Conduct.

I believe that I understand the company's business conduct policies. I also understand that every associate is required to comply with the company's policies and the laws applicable to the company's business.

I certify that I am not aware of violations of the company's policies or the laws applicable to the company's business that have not already been reported to the company's management and legal department.

If I become aware of a possible violation of an applicable company policy or law, or if I am uncertain about my obligations under an applicable company policy or law, I will notify my manager and, whenever appropriate, the legal department to request assistance.