

# Code of Ethics and Business Conduct

## I. Introduction

The reputation of PCTEL, Inc. (referenced as "PCTEL" or "the Company") is an important and valuable asset. It is up to each employee of PCTEL and its subsidiaries ("Employee") to protect and enhance that asset. This Code of Ethics and Business Conduct ("Ethics Code") contains policies that apply to each Employee, as well as each member of the Board of Directors of the Company (a "Director") and any contractor or other agent of the Company. All such persons are expected to read, understand and abide by this Ethics Code. It was designed to deter wrongdoing and to promote: (i) honest and ethical conduct; (ii) full, fair, accurate, timely and understandable disclosure in reports and documents we file with or submit to the U.S. Securities and Exchange Commission ("SEC") and in our other public communications; (iii) compliance with applicable laws, rules and regulations; (iv) the prompt internal reporting of violations of this Ethics Code; and (v) accountability for complying with this Ethics Code. While this Ethics Code cannot cover each situation where decisions will need to be made, other PCTEL policies and handbooks are critical components of PCTEL's overall compliance and ethics program. Never hesitate to ask your manager, Human Resources or our General Counsel for clarification or advice prior to making a decision about which you are uncertain.

If you suspect that someone has violated this Ethics Code, you are expected to report the violation to your manager and the General Counsel. PCTEL prohibits any form of retaliation for fulfilling this responsibility.

All Directors and Employees are responsible for advancing the principles contained in this Ethics Code and for promoting a culture in which ethical conduct is valued and exhibited by all Directors and Employees. If we all do these things well, there can be no doubt that we will be successful as individuals and as a corporation.

Thank you for your continued dedication and hard work.

David Neumann  
Chief Executive Officer

## II. Statement of Policy

The Ethics Code was prepared to provide Directors, Employees, as well as those with whom we do business and the general public, with a formal statement of the Company's commitment to the standards and rules of ethical business conduct. One of the basic goals at PCTEL is to conduct business with integrity and to be fair in our dealings as a corporate citizen. This goal can be best achieved by hiring and rewarding Employees who maintain high ethical standards in all of their activities on behalf of PCTEL.

This Ethics Code provides policies for all Directors, Employees, contractors and agents of the Company relating to their obligations in the conduct of Company affairs. This Ethics Code does not supersede specific Company policies that govern particular subjects. It is a general statement of PCTEL's policies in a number of different areas. This Ethics Code should be considered the basis on which each Employee conducts business on behalf of the Company and should be deemed the cornerstone of PCTEL's ethical business practices worldwide. The Company's goal is for each Employee to act in a manner utilizing good judgment, high ethical standards and honesty in the Employee's business dealings on behalf of the Company.

This Ethics Code and the policies described below do not create an employment contract. Further, nothing in this Ethics Code shall be deemed to create an employer-employee relationship between PCTEL and its contractors and agents or their personnel.

PCTEL's policies, guidelines and related procedures are subject to change by PCTEL at any time.

### **III. The PCTEL, Inc. Environment**

#### **A. SAFETY, HEALTH AND ENVIRONMENT**

PCTEL is committed to providing a safe and healthy workplace for Employees, Directors and visitors and to minimizing the impact of our operations on the environment. These commitments can only be met through the awareness and cooperation of all Employees and Directors. We each have a responsibility to abide by safe operating procedures to produce products that meet established safety standards. In the U.S. and other countries in which PCTEL operates, regulatory agencies exist to ensure compliance with laws and regulations affecting safety, health and environmental protection. It is PCTEL's policy to comply with the laws and regulations imposed by these agencies. We also require contractors, consultants, suppliers and others who work with us to follow appropriate policies, law and regulations. In keeping with this spirit, Employees are encouraged to report to their supervisors any condition which they perceive to be unsafe, unhealthy or hazardous.

#### **B. EQUAL OPPORTUNITY**

PCTEL's Employees are its greatest asset. We are committed to treating each other with respect and fairness at all times. Employment decisions will be based on business reasons, including qualifications, skills and performance. We will comply with local and national employment laws, including specifically, those preventing discrimination based on race, color, religion, sex, national origin, age, disability, marital status, veteran's status, sexual orientation or any other characteristic specified by law.

#### **C. HARRASSMENT**

Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual. The Company is committed to providing a work environment free from all forms of harassment (including sexual harassment and bullying). All Employees and Directors are expected to act in a way that supports this commitment, and all Employees and Directors must refrain from any behavior that causes, or could cause, any form of harassment against other Employees, Directors, applicants for employment, or visitors. The Company will make every effort to prevent and halt harassment of any kind. Any Employee who violates this policy will be subject to discipline, up to and including termination, and any Director who violates this policy will be subject to expulsion from the Board of Directors. Employees are encouraged to speak out when a coworker's conduct makes them uncomfortable and to report harassment when it occurs. Our policies prohibit intimidation or retribution for any reports of misconduct by others that are made in good faith.

### **IV. Dealing With Those Outside of PCTEL, Inc.**

#### **A. SALES AND MARKETING**

We will build long-term relationships with our customers by demonstrating honesty and integrity. All of our marketing and advertising will be accurate and truthful. We will only obtain business legally and ethically. As explained in more detail below, bribes and kickbacks are unacceptable.

#### **B. BRIBERY**

PCTEL prohibits any form of bribery. You must never, directly or indirectly through another party, make or provide, or offer or promise to make or provide, any illegal, improper or questionable payment of funds or other valuable consideration to any customer, vendor, governmental official or anyone else anywhere in the world for the purpose of obtaining or retaining business or securing any improper advantage. This includes kickbacks of any kind, small "facilitating" payments, significant or unusual gifts (including education or employment for relatives) to government employees or others even though they may be considered a normal business practice in some countries. You must not receive a bribe of any kind from anyone seeking to do business with PCTEL or seeking an unfair advantage relating to their business with PCTEL.

Many of the countries in which we operate have laws prohibiting bribery, including laws specifically prohibiting bribery of foreign officials, and requiring the maintenance of accurate books and records. These laws include the Foreign Corrupt Practices Act in the United States, the Bribery Act in the United Kingdom and the Criminal Law in the People's Republic of China. Violation of these laws is serious and can result in fines for PCTEL and imprisonment for individuals. Even the appearance of a violation of such laws could do great damage to PCTEL's reputation.

You must not make, offer or promise a bribe indirectly through a contractor, consultant or other agent. Any employee who retains a contractor, consultant or other agent who will act on behalf of PCTEL in dealing with third parties must ensure that the contractor, consultant or other agent is reputable and suitably qualified. Any such contractor, consultant or agent must sign a written confirmation that he or she will comply with the PCTEL's policy regarding bribery, as well as this Ethics Code generally.

C. CUSTOMER INFORMATION

Customer confidential information that is entrusted to the Company must be protected as carefully as our own confidential information. Only those having a need-to-know should be provided with access to customer confidential information and such Employees must abide by all contractual and legal obligations of the Company to keep such customer information confidential.

D. PURCHASING

All purchasing decisions are to be made based on Company's best interests. Suppliers will win Company business as a result of product or service suitability, price and delivery.

E. COMPETITIVE INFORMATION

We must never use any illegal or unethical means to gather competitive information. Contact the General Counsel if you have questions about the legality of information obtained, or if any information that may constitute a trade secret or confidential information of another business was obtained in error.

F. U.S. ANTITRUST AND OTHER COMPETITION LAWS

The antitrust laws, referred to as competition laws outside of the United States, are designed to ensure a fair and competitive free market system. These laws are complex and vary considerably from country to country. While PCTEL competes vigorously in the marketplace, Employees are required to comply with the applicable antitrust and competition laws. We compete on the basis of the quality of our products, services, prices and customer loyalty.

**V. Responsibilities to Shareholders and to the Public**

A. COMPLIANCE WITH THE LAW

Employees throughout the world are required to comply with applicable laws, rules and regulations wherever PCTEL does business. In addition, each Employee must avoid and report any activities that involve, or could lead to the involvement of, PCTEL in any unlawful practice. While the laws that govern our activities may be complex, ignorance of the law does not excuse an Employee from his/her obligation to comply. If you are unclear about the legality of an action or any law, rule or regulation relating to your work, contact the General Counsel.

B. CONFLICTS OF INTEREST

PCTEL respects the right of each Director and Employee to handle his/her personal affairs and investments. However, all Directors and Employees should avoid situations that present a potential conflict between PCTEL's interests and their personal interests. Directors and Employees are to avoid any transactions, investments or associations that interfere with their exercise of sound business judgment on behalf of PCTEL. Moreover, Directors and Employees should avoid activities that pose a

potential conflict of interest. While it would be difficult to attempt to identify all possible situations in which a conflict of interest may arise, some common types of conflicts are set forth below:

#### 1. Outside Employment And Membership On Boards of Directors

During the term of his/her employment with the Company, an Employee may not perform services as a member of the board of directors, employee, agent, consultant, advisor or contractor for a customer, a supplier, a competitor, or any other entity that has (or within the past twelve month period has had) a business relationship with the Company without the prior written approval from the Company in accordance with Section V(G) of this Ethics Code. During the term of his/her directorship, a Director must promptly inform the Company in writing in accordance with Section V(G) of this Ethics Code of any service to be performed by such Director that is described in the preceding sentence.

In particular, the following types of outside employment are strictly prohibited for Employees:

- (i) employment that conflicts with your work schedule, duties and responsibilities;
- (ii) employment that creates a conflict of interest or is incompatible with your employment with the Company;
- (iii) employment that interferes with the protection of the Company's proprietary or confidential information;
- (iv) employment that impairs or has a detrimental effect on your work performance with the Company;
- (v) employment that requires you to conduct work or related activities on the Company's property during the Company's working hours or using the Company's facilities or equipment; and
- (vi) employment that directly or indirectly competes with the business or interests of the Company.

#### 2. Financial Interests In Other Companies

If you have a financial interest (including an indirect interest through, for example, a relative or significant other) in any organization and that interest would give you - or would appear to give you - a conflict of interest with the Company, or could influence your decision-making on behalf of the Company, you must promptly disclose it in writing to the Chief Financial Officer and the General Counsel. You should be particularly sensitive to financial interests in competitors, suppliers, customers, distributors and strategic partners.

#### 3. Transactions With Related Parties

If you have a financial interest in a transaction between the Company and a third party, including an indirect interest through, for example, a relative or significant other, you must disclose that interest and obtain approval from the Company before finalizing the transaction. We encourage you to seek guidance from the General Counsel if you have any questions as to whether an interest in a proposed transaction is a related party transaction and if, due to the amount involved, is to be reported under SEC rules and regulations. If it is determined that the transaction is required to be reported under SEC rules, the transaction will also be subject to review and approval by the Audit Committee of the Board of Directors. In addition, all related party transactions will be reported to the Audit Committee, whether or not reported under SEC rules. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to the transaction.

#### 4. Corporate Opportunities

You may not, directly or indirectly, exploit for personal gain any opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Board of Directors or its designated committee, and the Board of Directors or its designated committee consents to your pursuing the opportunity..

5. Loans By The Company

Loans from the Company to Directors and officers are prohibited. Loans from the Company to other Employees must be approved in writing in advance by the Board of Directors or its designated committee.

6. Improper Benefits

As indicated in Section IV(B), you may not receive any illegal, improper or questionable payment of funds or other valuable consideration to you or your family members or on your behalf, as a result of your position with the Company. Please contact the General Counsel if there is any question as to whether something constitutes valuable consideration.

7. Election Or Appointment To Public Office

You may serve in an elected or appointed public office provided that the position does not create or appear to create a conflict of interest.

8. Guidance And Approvals

Evaluating whether a conflict of interest exists, or may appear to exist, requires the consideration of many factors. We encourage you to seek guidance and approval from the General Counsel in any case where you have any questions or doubts and to wait until you receive prior approval before engaging in any such conduct. The Company may at any time rescind prior approvals to avoid a conflict of interest, or the appearance of a conflict of interest, for any reason deemed to be in the best interest of the Company.

C. PROTECTION AND USE OF COMPANY ASSETS AND INFORMATION

Each Employee is responsible for protecting Company assets and ensuring their efficient and proper use. All Company assets, including Company confidential information, are to be used only for legitimate business purposes, and never for personal gain or for the benefit of persons or entities other than PCTEL.

One of PCTEL's most significant assets is the technology, business, financial and other information that it develops, generates, or acquires. Accordingly, each of us is responsible for guarding PCTEL's technology and business information against unauthorized disclosure. This applies to proprietary data developed or purchased by PCTEL, as well as information entrusted to us by suppliers, customers or other third parties pursuant to a confidentiality agreement. This also includes non-public information that might be useful to competitors, or harmful to our customers or to PCTEL, if disclosed. Protection of this information is critical to our continued growth and ability to compete.

D. CORPORATE OPPORTUNITIES

Customers, Employees, consultants, service providers and others routinely provide the Company with ideas and opportunities. Moreover, during your employment, you may receive or discover ideas or opportunities for a new business or investment. Each of these opportunities and ideas are the property of PCTEL, and Employees are prohibited from utilizing such ideas or opportunities for their personal benefit. Further, you are not allowed to utilize your position with the Company, or any Company property or information, for improper personal gain, or to compete with the Company. You owe a duty to the Company to advance the Company's interests as opportunities to do so arise.

## E. TRADING ON INSIDE INFORMATION

Employees and Directors are not allowed to trade in securities or any other kind of property based on information or knowledge that arises from their duties or employment, if such information has not been reported publicly. It is against the laws of many countries, including the U.S., to trade or “tip” others (including family members, friends or anyone else) who may make an investment decision based on inside job information. As an example, using non-public information to purchase or sell Company stock, options in Company stock or the stock of a Company customer or supplier, is strictly prohibited. Additionally, Directors and officers (including their immediate family members) are prohibited from trading in Company shares during quiet periods. Additional information on this topic is contained in the Company’s Insider Trading; Confidentiality; and Short Sales policy that is available to Employees and maintained in the Human Resources Department.

## F. CORPORATE REPORTING AND PUBLIC DISCLOSURES OF CORPORATE INFORMATION

### 1. Overview

As a public company, we are required to follow strict accounting principles and standards, to report financial information accurately and completely in accordance with these principles and standards, and to have appropriate internal controls and procedures to ensure that our accounting and financial reporting complies with the law. The integrity of our financial transactions and records is critical to the operation of our business and is a key factor in maintaining the confidence and trust of our employees, security holders and other stakeholders.

### 2. Compliance With Rules, Controls And Procedures

It is important that all transactions are properly recorded, classified and summarized in our financial statements, and books and records in accordance with our policies, controls and procedures, as well as all generally accepted accounting principles, standards, laws, rules and regulations for accounting and financial reporting, including but not limited to the requirements set forth in § 406 of the Sarbanes-Oxley Act of 2002 and the rules and regulations of the SEC promulgated thereunder. If you have responsibility for, or any involvement in, financial reporting or accounting, you should have an appropriate understanding of, and should seek in good faith to adhere to, relevant accounting and financial reporting principles, standards, laws, rules and regulations and the Company’s financial and accounting policies, controls and procedures. If you are an officer of the Company, you should seek to ensure that the internal controls and procedures in your business area are in place, understood and followed.

### 3. Accuracy Of Records And Reports

It is important that those who rely on records and reports — e.g., managers and other decision makers, investors, creditors, customers and auditors — have complete, accurate and timely information. False, misleading or incomplete information undermines the Company’s ability to make good decisions about resources, Employees and programs and may, in some cases, result in violations of law. Anyone involved in preparing, or providing information to those preparing, financial or accounting records or reports, including financial statements and schedules, must be diligent in assuring that those records and reports are complete, accurate and timely. Anyone representing or certifying as to the accuracy of such records and reports should make an inquiry or review adequate to establish a good faith belief in their accuracy.

Even if you are not directly involved in financial reporting or accounting, you are likely involved with financial records or reports of some kind — a time sheet, invoice or expense report. In addition, most Employees have involvement with product, marketing or administrative activities, or performance evaluations, which can affect our reported financial condition and results. Therefore, the Company expects you, regardless of whether you are otherwise required to be familiar with finance or accounting matters, to use all reasonable efforts to ensure that every business record or report with which you deal is accurate, complete and reliable.

#### 4. Intentional Misconduct

You are not to intentionally misrepresent the Company's financial performance or otherwise intentionally compromise the integrity of the Company's reports, records, policies and procedures. For example, you may not:

- report information or enter information in the Company's books, records or reports that fraudulently or intentionally hides, misrepresents or disguises the true nature of any financial or non-financial transaction or result;
- establish any undisclosed or unrecorded fund, account, asset or liability for any improper purpose;
- enter into any transaction or agreement that accelerates, postpones or otherwise manipulates the accurate and timely recording of revenues or expenses;
- intentionally misclassify transactions as to accounts, business units or accounting periods; or
- knowingly assist others in any of the above.

#### 5. Dealing With Auditors

Our auditors have a duty to review our records. You are expected to cooperate with independent and internal auditors in good faith and in accordance with law. In addition, you must not fraudulently induce or influence, coerce, manipulate or mislead our independent or internal auditors regarding financial records, processes, controls or procedures or other matters relevant to their engagement. You may not engage, directly or indirectly, any outside auditors to perform any audit, audit-related, tax or other services, including consulting, without written approval from the Chief Financial Officer or the Audit Committee of the Board of Directors.

#### 6. Obligation To Investigate And Report Potential Violations

You should make appropriate inquiries in the event you may see, for example:

- financial results that seem inconsistent with underlying business performance;
- inaccurate financial records, including travel and expense reports, time sheets or invoices;
- the circumventing of mandated review and approval procedures;
- transactions that appear inconsistent with good business economics;
- the absence or weakness of processes or controls; or
- persons within the Company seeking to improperly influence the work of our financial or accounting personnel, or our external or internal auditors.

Dishonest or inaccurate reporting can lead to civil or even criminal liability for you and the Company and can lead to a loss of public faith in the Company. You are required to promptly report any case of suspected financial or operational misrepresentation or impropriety and to follow the Company's Whistleblower Policy posted on the Company's intranet and on Company premises.

#### 7. Keeping the Audit Committee Informed

The Audit Committee plays an important role in ensuring the integrity of our public reports. If you believe that questionable accounting or auditing conduct or practices have occurred or are occurring, you should notify the Audit Committee of the Board of Directors. This can be accomplished by notifying the appropriate supervisor or manager directly, or notifying the Chief Executive Officer, the Chief Financial Officer, the Vice President-Finance, or any member of the Audit Committee directly, or through the use of the anonymous hotline. In particular, the Chief Executive Officer, the Chief Financial Officer or the Vice President-Finance shall promptly bring to the attention of the Audit Committee any information of which they may become aware concerning, for example:

- the accuracy of material disclosures made by the Company in its public filings;
- significant deficiencies in the design or operation of internal controls or procedures that could adversely affect the Company's ability to record, process, summarize or report financial data;

- any evidence of fraud that involves an employee who has a significant role in the Company's financial reporting, disclosures or internal controls or procedures; or
- any evidence of a material violation of the policies in this Ethics Code regarding financial reporting.

G. APPROVALS AND WAIVERS

Except as otherwise provided in the Ethics Code, the Board of Directors or its designated committee must review and approve any matters requiring special permission under the Ethics Code for a member of the Board of Directors or an executive officer. Except as otherwise provided in the Ethics Code, the Chief Financial Officer and the General Counsel must review and approve any matters requiring special permission under the Ethics Code for any other Employee, agent or contractor, and report such matters to the Audit Committee and the Board of Directors.

Any waiver of any provision contained in Ethics Code for an executive officer or a Director may be made only after obtaining the express written authorization of the Board of Directors. Any such waiver will promptly be publicly disclosed, together with the reasons for the waiver, to the extent required by law or regulation. Any waiver of any provision of this Ethics Code with respect to any other Employee, agent or contractor must be approved in writing by the Chief Financial Officer and the General Counsel. Copies of approvals and waivers will be retained by the Company.

**VI. Procedural Matters**

A. ACKNOWLEDGEMENT

All new Directors and Employees must sign an acknowledgement form confirming that they have read the Ethics Code and that they understand and agree to comply with its provisions. Annually, Directors and Employees are asked to reconfirm that they have read and understand the Ethics Code and agree to comply with its provisions. Signed acknowledgement forms will be retained by the Human Resources department in hard copy or electronically. Failure to read the Ethics Code or to sign an acknowledgement does not excuse any person from the terms of the Ethics Code.

B. REPORTING VIOLATIONS

You should promptly report violations or suspected violations of this Code in the manner provided in the Company's Whistleblower Policy (see link at the Company's internet site or copy of policy posted on Company premises). Your report will be anonymous, unless you choose to leave your name. The link provides you with a method to contact, through an independent third party, the chair of the Company's Audit Committee of the Board of Directors and the Chief Executive Officer.

Reprisals, threats, retribution or retaliation against any person who has in good faith reported a violation or a suspected violation of law, this Ethics Code or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.

C. INVESTIGATIONS

The Board of Directors or its designated committee will be responsible for investigating violations and determining appropriate disciplinary action for matters involving members of the Board of Directors or executive officers. The Board of Directors or its designated committee may designate others to conduct or manage investigations on its behalf and recommend disciplinary action.

Subject to the general authority of the Board of Directors to administer this Ethics Code, the Chief Financial Officer and the General Counsel will be jointly responsible for investigating violations and determining appropriate disciplinary action for other Employees and contractors. The Chief Financial Officer and the General Counsel may designate others to conduct or manage investigations on their behalf and recommend disciplinary action. The Chief Financial Officer and the General Counsel will periodically report Ethics Code violations that come to their attention and the corrective actions taken to the Board of Directors or its designated committee. The Board of Directors reserves the right to

investigate violations and determine appropriate disciplinary action on its own or to designate others to do so in place of, or in addition to, the Chief Financial Officer and the General Counsel.

The Company will promptly investigate any suspected violations. If it is determined that evidence of a violation exists, the individual subject to investigation will be notified. The subject of an investigation will have an opportunity to respond to any allegations made against that person. A person suspected of violating the Ethics Code may be suspended with or without pay, at the Company's discretion, while an investigation is being conducted. The Company will follow local grievance procedures in jurisdictions where such procedures apply.

D. DISCIPLINARY ACTION

The Company will take appropriate action against any Employee, agent or contractor whose actions are found to violate the Code. Disciplinary actions may include, at the Company's sole discretion, oral or written reprimand, suspension or immediate termination of employment or business relationship, or any other disciplinary action or combination of disciplinary actions as deemed appropriate to the circumstances. A record of the disciplinary action will be retained in the Employee's personnel file.

In determining what disciplinary action is appropriate in a particular case, the Company will take into account all relevant information, including the nature and severity of the violation, any history of warnings and violations, whether the violation appears to have been intentional or inadvertent and whether the violator reported his or her own misconduct. The Company will strive to enforce the Ethics Code in a consistent manner while accounting for all relevant information. An alleged violator may make a written request for reconsideration within fourteen (14) days of notification of the final disciplinary decision.

Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Certain violations of this Ethics Code may also be subject to civil or criminal prosecution by governmental authorities and others. Where laws have been violated that are also serious violations of the Ethics Code and these violations come to the Company's attention, the Company will report violators to the appropriate authorities.

**Acknowledgement**  
(for hard copy signatures)

**CODE OF ETHICS AND BUSINESS CONDUCT**

I acknowledge that I have received and read PCTEL, Inc.'s Code of Ethics and Business Conduct.

I acknowledge that I understand the standards, policies and procedures contained in the Code of Ethics and Business Conduct and understand that there may be additional standards, policies, procedures and laws relevant to my position.

I agree to comply with the Code of Ethics and Business Conduct.

I acknowledge that if I have questions concerning the meaning or application of the Code of Ethics and Business Conduct, any Company policies, or the legal or regulatory requirements applicable to my position, it is my responsibility to seek guidance from my manager, the Human Resources Department, the General Counsel, or other relevant individual or department.

I acknowledge that neither this Acknowledgement nor the Code of Ethics and Business Conduct is meant to vary or supersede the regular terms and conditions of my employment by the Company or to constitute an employment contract.

\_\_\_\_\_ (Printed Name)

\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Date)

Please sign and return this form to the Human Resources Department.