



To All Employees:

Bell Micro is committed to upholding the highest ethical standards in our workplace and in our business dealings. Integrity is an essential Bell Micro corporate value. We do not tolerate behavior that is unfair, unethical, or illegal. We expect all employees to share the commitment of ethical conduct, honesty, accountability, respect for others, and compliance with the law. We have one Code of Conduct that applies globally to all employees, members of the Board of Directors, and our business partners. This Code of Conduct contains our required standards of business conduct. I urge you to familiarize yourself with these standards and follow them closely. You should bring any questions or concerns to your manager, the Human Resources Department, or the Legal Department. You may also utilize the 24- hour global toll-free confidential Ethics Hotline (please see page 12 for telephone numbers) or login to <http://bellmicro.silentwhistle.com/> to make a report online. We believe that good ethical decisions are made when adequate information and resources are readily available.

Sincerely,

Don Bell  
President and Chief Executive Officer

Effective: March 1, 2009

**Bell Microproducts Inc.**  
**Code of Conduct**

This document presents Bell Micro's standards for professional and ethical business conduct, and addresses the following topics:

- Treating Fellow Employees with Dignity and Respect
- Avoiding Conflicts of Interest
- Public Communication
- Protection of Company Confidential and Proprietary Information
- Handling Trade Secrets of Others
- Business Opportunities
- Giving or Accepting Gifts
- Dealing Fairly with Our Customers, Suppliers, and Competitors
- Compliance with Antitrust Laws
- Compliance with Insider Trading Policies
- Privacy
- Use of Company Property and Equipment
- Maintaining Accurate and Honest Business Records
- Signature Authorization Policy
- Records Retention
- Ensuring Full Disclosure and Financial Reporting
- Reporting of Violations

***General Policy***

The Code of Conduct (the "Code") set forth the fundamental principles of law and ethics governing Bell Micro's business and applies to all employees and consultants in all of the entities owned or controlled by Bell Micro, to members of our Board of Directors, and to the Company's business partners and contractors. The Code is not an employment contract and do not confer any rights relating to employment.

It is the policy of the Company to conduct its business in compliance with all applicable laws and regulations. Although laws and customs vary from country-to-country, and ethical definitions may vary in different business environments, the fundamental principles of honesty and integrity serve as this Company's time-tested standards.

It is the responsibility of every employee, and the policy of the Company, to encourage its employees to ask questions, seek guidance, report suspected violations, and express their concerns regarding compliance with the Code. Any one acting

directly or indirectly on behalf of the Company is prohibited from taking any action that would violate any law or regulation in force in that jurisdiction, and in foreign jurisdictions, the violation of the laws and regulations of the United States relating to the Code towards governmental officials. If at any time you believe there is a conflict between two or more laws, or your obligations under the Code, you should immediately contact a member of the Company's Legal Department.

### ***Treat Fellow Employees with Dignity and Respect***

It is vital that Bell Micro employees treat each other with dignity and respect. As set forth in Bell Micro's equal employment policies, including Bell Micro's Anti-Harassment Policy and Employee Handbook, Bell Micro will not tolerate discrimination or harassment of any kind. If you engage in such conduct, you will be subject to discipline and you may expose yourself and Bell Micro to significant liability.

### ***Avoid Conflicts of Interest***

The Company expects employees to devote their best efforts to the Company's interests, to dedicate themselves exclusively to promoting the Company's interests, and not to engage in or have the appearance of engaging in activities which may conflict with the business interests of the Company. While it is not possible to discuss every circumstance that may lead to a conflict of interest, below are some of the more common examples.

- A conflict of interest may exist if an employee, or any member of his or her immediate family, holds any substantial financial interest in any enterprise that has or may have business dealings with the Company or that engages in any field of activity engaged in by the Company. Employees should notify their immediate supervisor of any such potential conflict and refrain from such activity until the conflict situation has been reviewed by the General Counsel and it has been determined that no material conflict of interest exists.
- An employee may not act as a director, officer, partner, representative, consultant, agent or employee for any business or other institution that competes either directly or indirectly with Bell Micro.
- An employee (including members of such employee's immediate family or household) is prohibited from accepting gifts from institutions or businesses that supply materials or services to the Company. This prohibition against the receipt of gifts is not intended to preclude acceptance of occasional light entertainment by a supplier or the exchange of non-monetary gifts of a nominal value, not exceeding US \$100 in value. It is recognized that from time to time suppliers provide special incentives such as cash, gifts, trips, etc., as an incentive to sell their product. If this promotion is a Company approved and sponsored event, accepting the incentive award is permitted.

- An employee must report to his or her immediate supervisor all offers of gratuities or other such efforts made by a third party to influence a decision of such employee in favor of any person or entity.
- An employee may not use the Company's assets, facilities, know-how, or personnel, for any other business or personal endeavors without having first obtained written approval from an officer of the Company.
- While the Company encourages employees to engage in non-profit community and academic service, if such activity would interfere with the employee's obligations to the Company or otherwise present a potential conflict of interest, the employee can not engage in such activity without having first obtained the written approval of the employee's manager and the Vice President of Human Resources.

### ***Public Communication***

An employee must not make any reference to his or her employment with the Company when making any public comment. In the event that the employee's relationship with the Company becomes known, the employee will affirmatively indicate that any such comment is personal in nature and does not reflect the opinion of the Company. Only those employees whose specific responsibilities with the Company include the authority for such public comment, or when an employee is expressly authorized by the Chief Executive Officer as an official spokesperson for the purpose of such public comment, can an employee make a public statement on behalf of the Company.

### ***Protect Confidential and Proprietary Information***

Each employee shall be bound by the terms of the Company's Proprietary Information Agreement, and shall follow the Company's policies and procedures regarding the protection of the Company's proprietary information. Each employee shall treat all Company and third party proprietary or trade secret information as sensitive and not for general dissemination. Employees shall not disclose any such information except in a manner that has been authorized by the Company. Additionally, no disclosure shall be made of Company or third party proprietary or trade secret information to fellow employees whose duties do not require a need to know such information.

Neither the Company nor its employees have clearance to receive information that has been classified by the United States or other governmental agency as "confidential," "secret," "top secret," or the like. Therefore, should an employee of the Company encounter any instance where any such information is provided or offered to be provided, the employee will not accept such information and will report the incident promptly to the General Counsel.

Do not answer any request for information, proprietary or otherwise, from outside Bell Micro unless you are specifically authorized to do so. Below is a list of contacts for particular types of requests and who that request should be directed to:

- Requests from security analysts or investors Chief Financial Officer  
(408) 436-4454
- Requests from reporters and news media Division president or other appointed spokesperson
- Request for information from governmental authorities or outside attorneys (including subpoenas), other requests of a legal nature, or requests for any kind of audit General Counsel  
(408) 451-1616
- Requests for personnel references, employment verification, salary verifications or other requests about current or former employees Your local Human Resources Department representative

***Handle the Trade Secrets and Confidential Information of Others with Care***

Bell Micro competes vigorously, but fairly. You may use any publicly available information about Bell Micro's competitors or other companies, but you may not unlawfully acquire or misuse the trade secrets or other confidential information of another third party. Even if you receive information about another company through legitimate means, you need to determine if the information is confidential and how such information may be used.

You must also abide by the lawful obligations that you have to your former employers. These obligations may include restrictions on the use and disclosure of confidential information or solicitations of former colleagues to work at Bell Micro, or non-competition agreements. If you have any questions regarding these obligations you should contact the Legal Department.

***Business Opportunities***

Employees shall not take for themselves any business opportunity or benefit in which the Company may have an interest in or that an employee may learn of as a result of his or her employment with the Company. An example would be the acquisition of any interest in technology, products, or intellectual property that either is sought by or would be of potential interest to the Company. If an employee has any questions as to whether the Company is interested in pursuing any given business opportunity, the employee should consult with the executive officer responsible for his or her department.

Officers and directors of the Company have an additional obligation not to take for themselves any business opportunity or benefit that the Company may have an interest in pursuing notwithstanding that their knowledge of such business opportunity or benefit was obtained independently of their relationship with the Company.

### ***Do Not Give or Accept Questionable Gifts***

With respect to ***non-government personnel***, gift giving is proper only to create goodwill. All business decisions must be based on the merits of products and/or services. It is improper to give any gift, no matter how trivial, to influence the recipient or to obligate the recipient to do business with Bell Micro.

Unless prohibited by the customer's or supplier's own policies, it is appropriate to occasionally pay for a customer's or supplier's meal or entertainment, or to invite a customer or supplier to a sporting event or other similar outing, provided the expenses of doing so are reasonable and customary. It is also permissible to give a customer or supplier a gift of reasonable nominal value on special occasions, as long as the gift does not seek, and does not create the appearance of seeking special favors. The frequency and timing of any such gifts must always be considered so as not to create the appearance of impropriety.

With respect to ***government personnel***, it is against Bell Micro policy to provide or pay for, either directly or indirectly, any meal, travel, entertainment, lodging or gift. The giving of any gratuity to a government employee could subject both you and Bell Micro to civil and criminal penalties. Any payment or gift to a person acting in an official capacity for a foreign government is improper and could subject you and Bell Micro to substantial civil and criminal liability for violation of the Foreign Corrupt Practices Act of 1977, as amended.

You may not solicit or accept any money for any personal gain. If a customer or supplier offers or gives you any money or a gift which could create such an appearance, reject the offer, return the money or gift, and promptly inform your manager and the General Counsel.

You may not use Bell Micro funds to give gifts to fellow employees. However, awards may be given under a Bell Micro-sponsored recognition program, contest, or promotion.

Giving or receiving a gift should never damage Bell Micro's reputation. Any gift-giving or receiving must be fully visible to your manager. If you give a gift, you must ensure that your expense report records accurately reflect gifts provided to customers, suppliers, partners or other third parties in order to comply with tax and other legal reporting requirements.

## ***Deal Fairly with Our Customers, Suppliers, and Competitors***

At Bell Micro, we are proud of our reputation for integrity and fairness in our commercial dealings with our customers, suppliers, and competitors. Each employee must endeavor to deal fairly with Bell Micro's customers, suppliers, and competitors to ensure that all of our commercial dealings are ethical and respectful. No one should take unfair advantage of another. Manipulation, concealment or misrepresentation of material facts is prohibited at Bell Micro. If you are involved in proposals, bids, or contract negotiations with third parties, you must communicate honestly. You should not enter into an agreement on behalf of Bell Micro if you believe that Bell Micro will not be able to adhere to its terms. Once a valid contract is entered into, both Bell Micro and the third party must adhere to its terms.

## ***Comply with Antitrust Laws***

### **a. Relations with Competitors**

The primary United States antitrust statute prohibits conspiracies and understandings that unreasonably restrain trade. It flatly prohibits any agreements between competitors with respect to price, or any element of price (discounts, credit terms); including arrangements between competitors that tend only to stabilize prices. For example, agreements by competitors to buy up goods in order to prevent a decline in market price, or to adhere to a specific formula for determining price, are clearly just as unlawful as an agreement to fix the price itself.

Also flatly prohibited are agreements or arrangements between competitors regarding:

- the amount of their production;
- the division or allocation of markets, territories, or customers; or
- the boycotting of third parties.

All such agreements are unlawful and cannot be defended or justified in any way. All Company employees must understand that prohibited agreements do not have to arise only out of formal documents signed by the parties. An agreement may be oral, informally arrived at, or may, in some cases, may be inferred from circumstantial evidence such as the conduct of competitors.

The Company's products and services are highly regarded throughout the markets in which the Company operates. It is both unnecessary and contrary to corporate policy to attempt to advance the interests of the Company by disparaging the products or services of a competitor.

Any questions regarding any agreement or arrangement should be immediately brought to the attention of the Legal Department.

## **b. Relations with Customers**

The Company's relationships with its customers are subject to a number of antitrust statutes, each of which is keyed to particular types of transactions.

- **Price Discrimination**

Among other things, the Robinson-Patman Act prohibits pricing discrimination in the sale of substantially similar products to competing customers. The Robinson-Patman Act also covers activities such as promotional payments or services. However, there are various exceptions, for example, to provide for pricing to "meet competition."

- **Resale Restrictions**

The Sherman Act prohibits agreements that unreasonably restrain trade. Unreasonable restraints on the trade include restrictions placed upon the resale of items purchased by a customer. For example, an agreement between a seller and a customer restricting the price at which the customer will resell the product or otherwise restricting the resale of a product is not permitted. Note, however, that the Sherman Act does not prohibit reasonable restrictions placed on licenses or distributors of the Company's products.

- **Refusal to Deal**

A company ordinarily has the right to choose new customers and to cease doing business with old ones. However, the decision to cease doing business with a customer should be made as an independent business decision of the Company and should never be the result of an agreement between the Company and any third party; nor may the right to cease doing business be relied upon as the basis for required adherence by a customer to resale restrictions (e.g., fixing the customer's resale price) that would otherwise violate the antitrust laws. Threats to customers that the Company will cease doing business with them if they do not comply with resale policies are prohibited.

Any circumstance which could be interpreted to violate one or more of these rules should immediately be brought to the attention of the Legal Department.

## **c. Relations with Suppliers**

The Sherman Act prohibits the use of reciprocity where a buyer with substantial purchasing power buys a product on the condition that the other seller makes purchases from it in substantial amounts. Such instances can unnecessarily restrain the other party's freedom to trade with whomever it chooses. The law does not prohibit the Company from purchasing products from companies who purchase from the Company. Therefore, dealings with other parties that may involve reciprocity should be carefully examined so that the Company may avoid creating an

unreasonable restraint of trade. If such a situation arises, it should immediately be brought to the attention of the Legal Department.

- The Company's standard when dealing with suppliers and vendors is one of honesty and integrity at all times. In claiming rebates, MDF funds, coop funds and other amounts from vendors, employees will follow the rules of the vendor programs and ensure that amounts claimed are accurate and documented appropriately.

### ***Do Not Engage in Insider Trading***

The U.S. Federal securities laws place limitations on the circumstances under which any employee may purchase and/or sell the Company's stock. All employees are expected to adhere to the Company's Insider Trading Policy, as outlined below, however, all employees possessing potentially material nonpublic information are expected to review and comply with the full policy as posted on the Company's intranet site before trading in the Company's securities.

- All employees in possession of material, nonpublic information about the Company shall not disclose any such information to persons outside of the Company other than in the course of performing his or her corporate duties.
- It is illegal and a violation of the Company's Policy, for any employee to trade in the Company's securities while in the possession of material, nonpublic information. Accordingly, any trading in the Company's stock is prohibited until twenty-four (24) hours after the information has been publicly disseminated.
- Material, nonpublic information is defined as any information concerning the Company, not yet publicly known, but which, if publicly known, could reasonably be expected to affect the price of the Company's stock, or is likely to be considered important by a reasonable investor.
- To ensure compliance with insider trading laws and the Company's policy, the Company has established a trading window, which applies to members of the Board of Directors, all officers and those employees who have access to the Company's internal, financial statements. The period in any fiscal quarter commencing at the close of business on the day following the date of public disclosure of the financial results for the prior quarter or year and ending on the tenth calendar day of the third fiscal month of the fiscal quarter is designated as the trading window.
- Any individual who violates insider trading laws may be subject to severe civil and criminal penalties. In addition, any employee who violates this Policy, by either trading on inside information or passing on such information to others will be immediately discharged and, if appropriate, legal proceedings on behalf of the Company will be commenced against the employee.
- If you are considering a securities transaction and believe that you may be aware of material non-public information, contact the General Counsel before trading.

## ***Privacy***

Many countries in which we do business have implemented, or are planning to implement, privacy laws that set minimum requirements for the appropriate handling of personal data (any information that can be used to identify, contact, or locate an individual) and the Company is committed to adhering to those requirements and protecting the reasonable expectations of privacy of everyone we do business with, including our customers, suppliers, partners, and current and former employees. We believe individuals have the right to decide when their personal data is collected, used, or disclosed. We also believe that responsible management of personal data is an important component in maintaining trust in the Company and ensuring that individuals feel confident that we respect their right to privacy. Therefore each employee has a responsibility to comply with Company privacy policies, obtain and use personal information solely for legitimate business purposes and only if there is a legitimate need to know, and follow information security requirements when personal data is collected, stored, processed, transmitted, and shared. When questions, issues, or concerns arise, consult the Legal Department.

## ***Do Not Misuse Property or Equipment***

You should take all reasonable steps to protect against loss, theft, or misuse of any Bell Micro asset. Moreover, Bell Micro's facilities, property and equipment are provided to conduct Bell Micro business or for purposes authorized by management. Theft, carelessness, and waste have a direct impact on Bell Micro's profitability.

Bell Micro's IT systems, including e-mail systems, are the property of Bell Micro and all of these systems must be used appropriately. You should have no expectation of privacy in connection with any of these systems.

## ***Maintain and Provide Accurate and Honest Business Records***

Bell Micro's books and records must reflect all transactions included in the results of operations and financial position truthfully, accurately, and in compliance with generally accepted accounting principals. Bell Micro also has strict reporting obligations under certain statutes, including the Foreign Corrupt Practices Act of 1977, as amended and federal securities laws. It is therefore essential that you report all business transactions honestly, accurately, and in compliance with all Bell Micro policies and procedures. For example, all employees must provide truthful and accurate reports of expenses and time worked. All sales employees must provide truthful, accurate and complete paperwork relating to sales transactions. Falsification of documentation is strictly prohibited.

### ***Comply with Bell Micro's Signature Authority Policy***

You must comply with Bell Micro's Signature Authority Policy. You may not enter into any contract or commit Bell Micro resources unless you are authorized to do so as set forth in the Company's Signature Authority Policy. Any employee acting in violation of the Signature Authority Policy shall be subject to disciplinary action, up to and including termination.

### ***Comply with Bell Micro's Records Retention Policy***

You must comply with Bell Micro's Records Retention Policy. Each document, whether hardcopy or electronic, including e-mails, created or received by the Company, must be maintained pursuant to the Company's Records Retention Policy. Failure to adhere to the Policy can result in disciplinary action, up to and including termination.

### ***Ensure Full, Fair, Accurate, Timely, and Understandable Disclosure and Financial Reporting***

As a public company, Bell Micro is required to file periodic and other reports with the United States Securities and Exchange Commission (SEC) and to make other public communications. Bell Micro must provide accurate, complete, and timely disclosure in these reports, including disclosure of Bell Micro's financial results and condition. Accordingly, you must fully meet your responsibilities to ensure that Bell Micro's financial reports and records are in strict compliance with all applicable laws, generally accepted accounting principles and Bell Micro policies. You must provide information that is accurate, complete, objective, relevant, timely, and understandable. You must act in good faith at all times, with responsibility, due care, competence, and diligence, without misrepresenting or omitting material facts or allowing your independent judgment to be subordinated, and impose and maintain appropriate controls over all assets and resources employed. These responsibilities apply to each of us, but are especially important if you are a member of Bell Micro's Finance Department or are otherwise involved with Bell Micro's financial reporting.

### ***Report All Violations of These Standards***

Any employee having information, knowledge, or suspicion of any actual or contemplated transaction or behavior which is or appears to be in violation of any of the Company's Policies shall promptly report such matter to the General Counsel or the Director of Internal Audit. If any such transaction involves an officer of the Company, the matter may be reported directly to the Chief Executive Officer of the Company or to the Chairman of the Audit Committee of the Board of Directors. To report suspected violations, employees may do so via telephone, email, or in person. If the employee wishes to remain anonymous, a report can be made by using the Company's confidential Ethics Hotline

## **How to Access the Ethics Hotline**

Go to <http://bellmicro.silentwhistle.com/> to submit a report online or  
Call Toll Free From the U.S.: 1-800-826-6762

Calling from Non-US Latin America or Europe dial the number below, wait for the  
prompt, then dial 800-826-6762:

Canada	1-800-225-5288
Argentina	0-800-555-4288
Belgium	0-800-100-10
Brazil	0-800-890-0288
Chile	800-225-288
France	0-800-99-0011
Germany	0-800-225-5288
Ireland	1-800-550-00
Italy	800-172-444
Mexico	01-800-288-2872
Netherlands	0800-022-9111
United Kingdom	0-800-89-0011

Or by mail addressed to:

Bell Microproducts Inc.  
1941 Ringwood Avenue  
San José, California 95131-1721  
Attn: General Counsel

Reports made to the Company, especially if made anonymously, should include as much information regarding the transaction or behavior as possible, including, specific details, the individuals involved, the timeframe, the location, and any other details that would be helpful as the Company investigates the matter.

Every allegation received will be investigated promptly and if substantiated, resolved through appropriate corrective action and/or discipline. It is against the Company's policy to retaliate against any employee for good faith reporting of violation of any Policy. If the reporting employee feels he or she has been retaliated against for raising his or her good faith reporting, such employee should immediately contact his or her manager, the Vice President of Human Resources, the Chief Financial Officer, the General Counsel, or the Director of Internal Audit.

All managers will be responsible for the enforcement of and the compliance with these Policies by the employees reporting to them and for the distribution of these Policies to such employees.

Failure to comply with any part of these Policies can result in disciplinary action up to and including termination. Disciplinary measures will also apply to managers or executives who condone any illegal or unethical conduct by those reporting to them and who do not take immediate measures to correct it, or any employee who takes retaliatory measures against another employee who reports any such activity.