



CODE OF ETHICAL CONDUCT

ADS inc. ("ADS") as well as its directors, officers and employees and subsidiaries (collectively with ADS, the "Company") are committed to preserving the reputation of the Company for integrity and excellence and conducting business and activities of the Company honestly and ethically and in compliance with applicable laws, rules and regulations.

Accordingly, the Board of Directors of ADS has adopted this Code of Ethical Conduct ("Code"), which applies to all directors, officers and employees of the Company and its subsidiaries and co-enterprises, including, but not limited to, ADS' principal executive officer, principal financial officer, principal accounting officer or controller and persons performing similar functions.

The present Code of Ethical Conduct does not summarize all of the Company's policies. Compliance with the Company's other policies which are set forth elsewhere are also required. In addition, this Code of Ethical Conduct reflects general principles of conduct and does not anticipate or cover in detail every topic or situation. If you have a question about anything covered in this Code of Ethical Conduct or if you are unsure about whether an action is in compliance with this Code of Ethical Conduct, you must address your immediate superior or the Human Resources Officer. Similarly, if you should encounter a situation in which you are unsure what to do, you agree to tell your immediate superior or the Human Resources Officer, and ask for help.

The present Code of Ethical Conduct in no way modifies the Labour Contract concluded in good faith between the Company and its employees.

POLICIES AND PRACTICE

General Conduct - Conflict of Interest

Each employee is required to act ethically, honestly and with integrity. Your duty to act ethically, honestly and with integrity includes avoiding actual or apparent conflicts of interest between your personal, private interests and the interests of the Company, including using your position to receive improper personal benefits. This obligation applies to both business relationships and personal activities. A "conflict of interest" exists whenever your interests (financial or otherwise) interfere or conflict in any way (or even appear to interfere or conflict) with the Company's interests. A conflict of interest can arise when you take actions or have interests that may make it difficult to perform your work for the Company objectively and effectively. Conflicts of interest may also arise when you, or members of your family, receive improper personal benefits as a result of your position with the Company, regardless of from where those benefits are received.

You are under obligation to protect the legitimate interests of the company when the opportunity arises. You are prohibited from (i) benefiting personally from opportunities which rightly belong to the Company or are discovered through the use of the Company's resources, property, information or your position with the Company; (ii) using corporate property, information (confidential or otherwise) or position for personal gain; or (iii) competing with the Company.

Personal affairs should be conducted in such a way that no unfavourable impression is given of the Company, either expressed or implied. You must report to your immediate superior or to the Human Resources Officer any interest or relationship that you believe might compromise or appear to compromise your duty of loyalty to the Company or otherwise might present conflict of interest concerns. In addition, if you become aware of any conflict of interest on the part of anyone else in the Company, you must report it to your immediate superior or to the Human Resources Officer.

Compliance with Laws, Rules and Regulations

In performing your duties on behalf of the Company, you must comply with all applicable governmental laws, rules and regulations, as well as the rules and regulations of any stock exchanges and quotation systems on which ADS' securities are listed.

Public Disclosure - Confidentiality of Non-Public Information

As a public company, ADS must provide full, fair, accurate, timely, and understandable disclosure in reports and documents that ADS files with, or submits to, the Autorité des Marchés Financiers, the Ontario Securities Commission, the Toronto Stock Exchange or other regulators and in other public communications by ADS.

Consequently, the Company's books, business records, accounts and financial statements must be reasonably detailed, must appropriately reflect the Company's transactions and must conform both to applicable legal and regulatory requirements, including, if applicable, maintaining the financial and accounting records in accordance with generally accepted accounting principles, and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

In addition, all employees, officers and directors of the Company are expected to comply with the Company's disclosure controls and procedures to ensure that material information relating to the Company is recorded, processed, summarized and reported in a timely manner and this in accordance with all applicable laws, rules and regulations. You must ensure that all information or data that you report to management is accurate and honest, and you must fully and accurately comply with all audits, requests for special recordkeeping or retention of documents, documents or other material from or on behalf of the Company's auditors or the Company's management.

You must also take all reasonable measures to protect the confidentiality of non-public information regarding the Company and its customers, obtained or created in connection with your activities and prevent the unauthorized disclosure of such information unless required by applicable law, regulation, legal or regulatory process.

Compliance with this Code of Ethical Conduct

All employees, officers and directors of the Company, regardless of their level or seniority in the Company, are under obligation to review, understand and adhere strictly to the guidelines set forth in this Code of Ethical Conduct. Moreover, we will ask you to certify i) in writing that you received a copy of this Code of Ethical Conduct, ii) that you read and understood this Code of Ethical Conduct, including your obligation to announce the infringements or any other suspect behaviour and iii) that you will now and in the future respect this Code of Ethical Conduct. The

certification form to be duly filled out is joined to the present Code of Ethical Conduct. Please sign it and return it to the Human Resources Officer of ADS.

The Company is committed to holding all employees, officers and directors accountable for adherence to this Code of Ethical Conduct.

Duty to Report Violations of this Code of Ethical Conduct - No Retaliation

If you reasonably believe that anyone connected with the Company may have, or is about to materially violate this Code of Ethical Conduct, you must promptly bring the matter to the attention of your immediate superior or to the Human Resources Officer. If you do not believe that talking to your immediate superior or to the Human Resources Officer is appropriate, or if you are uncomfortable with their response, then you should contact any of ADS' executive officers or any member of ADS' Board of Directors. If requested, the Company will keep your name confidential, except as required by applicable law.

If you have questions or concerns regarding accounting or auditing matters, then, in addition to the reporting procedures described above, you may also confidentially and anonymously submit such questions to the President of the Audit Committee of the Board of Directors of ADS, to whom any questions and/or concerns to this affect would in all cases be submitted, with the exception of when these concern the President of the Audit Committee, in which case they should be reported to the President and Chief Executive Officer.

The Company will not tolerate retaliation of any kind against any person whom, in good faith, reports to the Company potential issues relating to violations of this Code of Ethical Conduct. Any director, officer or employee of the Company who commits such retaliation will be subject to disciplinary measures.

If you believe that you have been penalized, discharged or otherwise penalized for reporting a violation in good faith, you should immediately report that belief in accordance with the reporting procedure described above.

At the conclusion of the present Code of Ethical conduct are the coordinates of those who can be contacted.

Disciplinary Action

The Company is committed to the appropriate, prompt investigation and follow-up of any violation or suspected violation of this Code of Ethical Conduct. Reports of violations will be investigated under the Human Resources Officer's supervision, in such manner as the Human Resources Officer finds appropriate. You are expected to cooperate in the investigation of reported violations. The Human Resources Officer has the power to monitor, determine, and recommend action to the Board of Directors of ADS, with respect to violations of this Code of Ethical Conduct.

As far as legally possible, violations of this Code of Ethical Conduct may result in disciplinary action, including, according to each case, the level of involvement and knowledge and the severity of the violation, (i) warning and/or reprimand; (ii) demotion; or (iii) termination of employment.

In addition, violations of this Code of Ethical Conduct may also constitute violations of law and may result in civil and criminal penalties for you, your supervisors and/or the Company.

Waivers of any Provision of this Code of Ethical Conduct

Any request for a waiver of any provision of this Code of Ethical Conduct for a director, officer or employee of the Company must be in writing and addressed to the Human Resources Officer. The Board of Directors of ADS must approve any waiver with respect to this Code of Ethical Conduct that involves a director or an executive officer of ADS. Waivers of any provision of this Code of Ethical Conduct for an officer or employee of the Company (other than a person who is a director or executive officer of ADS) may be made by the Human Resources Officer.

Amendments to this Code of Ethical Conduct

The Board of Directors of ADS may update or otherwise amend this Code of Ethical Conduct. When there are material changes, the Company will provide each director, officer and employee of the Company with an updated copy of the Code of Ethical Conduct.

The Board of Directors of ADS revised this Code of Ethical Conduct in December 2004 and, last April 14, 2005, fixed at May 31, 2005 the date of enforcement.

The Board of Directors of ADS have modified this Code of Ethical Conduct on September 7, 2005 and June 7, 2006.

CONTACTS

For all inquiries pertaining to this Code of Ethical Conduct, the main contact is your **immediate supervisor**, with the exception of when inquiries are related to accounting and auditing, for which the main contact is the President of the Audit Committee.

Other contacts are as follows:

1. Human Resources Manager

Name : Pierre Cantin
Address : 485, des Érables
St-Elzéar, Qc
G0S 2J0
Telephone : (418) 387-3383
E-mail : pierre.cantin@texel.ca

2. President of Audit Committee

Name : Gilles Laurin
Address : Centre CDP Capital
1000, place Jean-Paul Riopelle
Montréal, Qc
H2Z 2B3
Telephone: (514) 847-5449
E-mail : glaurin@lacaisse.com

3. President and Chief Executive Officer

Name : Guy Drouin
Address : 485, des Érables
St-Elzéar, Qc
G0S 2J0
Telephone : (418) 387-3383
E-Mail : guy.drouin@adsinc.ca

Note: Information regarding contacts is subject to modification. Consult the electronic version of the Code of Ethical Conduct on the Company's intranet or internet site for these updates.

CERTIFICATION

I certify that:

1. I have carefully read ADS' Code of Ethical Conduct on (date) _____ and I understand its provisions and its importance for the Company (according to the definition given in the Code of Ethical Conduct). I understand that if I have questions concerning the Code of Ethical Conduct or similar subjects, I can communicate with my superior and/or the Director of Human Resources to obtain explanations;
2. I understand that if I violate the Code of Ethical Conduct, I expose myself to disciplinary action that can lead to dismissal, civil or penal sanctions. I also understand that I should divulge any real, apparent or potential infraction of the Code of Ethical Conduct;
3. I herein acknowledge that I have respected the said provisions of this Code of Ethical conduct, either when it became effective or when I became an employee, director or administrator of the Company, according to the most recent date.
4. I agree to obey the rules of the Code of Ethical Conduct, and its modifications, as long as they apply to me.

Signature: _____ Date: _____

Name (in block letters): _____

Please return the present form duly signed and filled out to the Director of Human Resources of ADS.