

## **P.A.M. TRANSPORTATION SERVICES, INC. CODE OF ETHICS**

### **I. OVERVIEW**

This Code of Ethics sets forth the guiding principles by which we intend to operate our company and conduct our daily business with our shareholders, customers, vendors and with each other. These principles apply to all of the directors, officers and employees of P.A.M. Transportation Services, Inc. and all of its subsidiaries ("PTSI").

### **II. PRINCIPLES**

#### **Complying with Laws, Regulations, Policies and Procedures**

All directors, officers and employees of PTSI are expected to understand, respect and comply with the laws, regulations, policies and procedures that apply to them in their position with PTSI. Employees are responsible for talking to their managers or compliance officer to determine which laws, regulations and PTSI policies apply to their position and what training is necessary to understand and comply with them.

#### **Insider Trading**

No director, officer or employee may purchase or sell any PTSI securities while in possession of material non-public information regarding PTSI, nor may any director, officer or employee purchase or sell another company's securities while in possession of material non-public information regarding that company. Directors, officers and employees are prohibited from using material non-public information to (a) obtain a profit for themselves; and (b) directly or indirectly "tip" others who might base an investment decision on such information. Any questions as to whether information is material or has been adequately disclosed should be directed to the office of the Chief Financial Officer.

PTSI has an insider trading policy that applies to all directors and certain officers and employees who possess material nonpublic information about PTSI. A copy of this policy may be obtained from the Chief Financial Officer.

#### **Conflicts of Interest**

All directors, officers and employees of PTSI should avoid any action or interest that conflicts or gives the appearance of a conflict with PTSI's interests. A "conflict of interest" exists whenever an individual's private interests interfere or conflict (or appear to interfere or conflict) with the interests of PTSI. A conflict situation can arise when an employee, officer or director takes action or has interests that may make it difficult to perform his or her work for PTSI objectively and effectively. Conflicts of interest may also arise when a director, officer, or employee or a member of his or her family receives improper personal benefits as a result of his or her position with PTSI, whether from a third party or from PTSI.

Loans by PTSI to employees or their family members are of special concern and could constitute improper personal benefits, depending on the facts and circumstances. Loans by PTSI to any director or executive officer or their family members are expressly prohibited.

Conflicts of interest may not always be clear-cut, so if a question arises, an officer or employee should consult with their supervisor or manager. Any employee, officer or director

who becomes aware of a conflict of interest or potential conflict of interest should bring it to the attention of a supervisor, manager or other appropriate personnel, and take reasonable steps to handle the conflict of interest in an ethical manner that avoids the conflict from having an adverse affect on PTSI. Conflicts of interest or potential conflicts of interest involving a director or executive officer should be brought to the attention of the Audit Committee of the Board of Directors.

### **Corporate Opportunity**

Directors, officers and employees are prohibited from (a) taking for themselves personally opportunities that properly belong to PTSI or are discovered through the use of corporate property, information, or position; (b) using corporate property, information or position for personal gain; and (c) competing with PTSI. Directors, officers and employees owe a duty to PTSI to advance its legitimate interests when the opportunity to do so arises.

### **Confidentiality**

Directors, officers and employees must maintain the confidentiality of confidential information entrusted to them by PTSI, except when disclosure is specifically required by laws, regulations, or legal proceedings or is permitted by law solely for the purpose of reporting or participating in an investigation of a suspected violation of law, or when such disclosure is specifically authorized by the Company's Chief Financial Officer. Confidential information includes all non-public information that might be of use to competitors of PTSI or its customers, or their employees if disclosed. Directors, officers and employees, in the course of their work for PTSI, may also receive confidential information from PTSI's customers or suppliers. This information should also be treated as confidential information, and not disclosed outside of PTSI.

This obligation to protect confidential information does not end when an employee, officer or director leaves PTSI. Any questions about whether information is confidential should be directed to your supervisor or an officer of PTSI.

### **Fair Dealing**

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior and diligent performance, never through unethical or illegal business practices. Stealing proprietary information, possessing or utilizing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited.

Each director, officer and employee is expected to deal fairly with PTSI's customers, suppliers, competitors, officers and employees. No director, officer and employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

### **Protection and Proper Use of Assets**

All PTSI assets should be used for legitimate business purposes. Directors, officers and employees who use PTSI's assets are expected to use them in a reasonable manner, and to avoid wasting PTSI's assets.

## **Public Company Reporting**

As a public company, it is important that PTSI's filings with the Securities and Exchange Commission ("SEC") and other public communications be accurate and timely. In that regard, PTSI's management must take reasonably appropriate actions to:

- establish and maintain effective disclosure controls and procedures and internal control over financial reporting;
- ensure that PTSI's periodic reports and other documents filed with the SEC are timely filed and comply with the requirements of the federal securities laws and the rules of the SEC; and
- ensure that information contained in PTSI's periodic reports and financial statements fairly presents in all material respects the financial condition and results of operations of PTSI.

Depending on his or her position with PTSI, an employee, officer or director may be called upon to provide necessary information to assist PTSI in making its public reports and other public communications complete, fair and understandable. PTSI expects employees, officers and directors to take this responsibility seriously and to provide prompt, accurate answers to PTSI inquiries related to its public disclosure requirements.

Each director, officer and employee who is involved in PTSI's disclosure process must:

- be familiar with and comply with PTSI's disclosure controls and procedures and its internal control over financial reporting; and
- take the necessary steps to ensure that all filings with the SEC and all other public communications about the financial and business condition of the Company provide full, fair, accurate and timely disclosure.

## **Financial Statements and Other Records**

PTSI's books, records, accounts and financial statements should be maintained in reasonable detail, appropriately reflect PTSI's transactions and conform to applicable legal requirements. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation. Records should be retained or destroyed according to PTSI's record retention policies.

## **III. REPORTING ILLEGAL OR UNETHICAL BEHAVIOR & ACCOUNTING COMPLAINTS Reporting**

Employees, officers and directors who suspect or know of violations of this Code or illegal or unethical business or workplace conduct by employees, officers or directors have an obligation to promptly contact either their supervisor or superiors or PTSI's Internal Audit Department. If the individuals to whom such information is conveyed are not responsive, or if there is a reason to believe that reporting to such individuals is inappropriate in particular cases, then the employee, officer or director should report the information to an officer of PTSI. If the employee, officer or director is still not satisfied with the response, he or she

should contact the Audit Committee of the Board of Directors. If concerns or complaints relate to conduct involving a director or executive officer, they should be reported to the Audit Committee. If concerns or complaints relate to accounting, internal accounting controls or auditing matters, they may be reported on a confidential and anonymous basis using the procedures established by the Audit Committee for that purpose.

#### **Non-Retaliation**

PTSI prohibits retaliation of any kind against individuals who have made good faith reports or complaints of violation of this Code or other known or suspected illegal or unethical conduct.

#### **Accountability**

The principles and responsibilities set forth in the Code are important to PTSI and must be taken seriously. Each employee, officer or director has a duty to ensure that his or her actions adhere to the requirements of the Code. Any reported allegation of wrongdoing under this Code must be promptly investigated. Any violation of the Code may result in disciplinary action, including termination of employment with PTSI, and, if warranted, legal proceedings against the violating party.

#### **IV. AMENDMENT, MODIFICATION AND WAIVER**

This Code may be amended or modified by the Board of Directors of PTSI. Waivers of the Code for directors or executive officers may only be granted by the Board of Directors. Waivers of this Code that relate to PTSI's principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, or to directors or other executive officers, of the Company will be publicly disclosed, with the reasons for the waiver, to the extent required by the Securities Exchange Act of 1934 and the rules under that Act and the applicable rules of The Nasdaq Stock Market.