

**Policy**

As a matter of Company policy, we hereby provide this Code of Ethics and Business Conduct. It effectively serves as a guide to acceptable business conduct for all employees. Because they represent the Company and our brand, we expect everyone who works for us to demonstrate exemplary standards of ethics and integrity. Therefore, our employees must therefore abide by the following principles.

**Foster Trust and Belief**

We cannot succeed as a business without the trust and confidence instilled in our employees, customers and shareholders. We earn it by keeping our promises, acting with honesty and integrity and reaching company goals solely through proper conduct.

Accordingly, the key question to ask in any decision-making process is: will this establish or enhance trust and belief in our business? Will it create an atmosphere conducive to ongoing positivity and success? Will I be able to deliver what I've promised without sacrificing quality or compromising my personal and professional integrity? Remember, the only way to build upon existing trust and belief in our business is with affirmative answers to all of these questions.

**Foster Respect in the Workplace**

As a business predicated on fairness and positivity, we believe an effective workplace can only exist when employees are fully committed to treating one another with respect.

Furthermore, as an equal employment/affirmative action employer, we are compelled to provide a workplace devoid of discrimination and/or abusive, offensive or harassing conduct. Any employee who experiences harassment or discrimination should report the matter to his or her direct supervisor or to someone in Human Resources.

**Foster Constructive Dialogue and a Forum Where Employees Can Freely Voice Concerns**

We equate effective communication with respect. We also believe that any employee should feel free to voice any concern about work-related matters without fear of reprisal. This means that it is up to any employee in a supervisory position to establish and maintain an atmosphere conducive to open and honest communication.

The company is responsible for the comprehensive investigation of any reported matter pertaining to questionable or unethical behavior. Appropriate action will be taken in any and all cases where there is a valid finding of wrongful conduct. All employees should also be aware that intimidation, attempted intimidation and/or retaliation (attempted or otherwise) against a co-worker who has reported alleged wrongdoing is unacceptable and will be dealt with accordingly.

**Lead by Example**

Hypocrisy at any level is unacceptable. This means we hold our leaders (our officers/executives, directors and upper and middle management) to the same standards as any other employees. We therefore expect their conduct to reflect their belief in and willingness to abide by this Code. Any failure to do so on their part will be dealt with accordingly.

**Code of Ethics and Business Conduct**

This Code is only effective as long as: designated supervisory personnel use applicable policies and procedures to facilitate the resolution of any ethical questions or concerns brought to their attention. Therefore, reports raising any such questions or concerns should not be viewed as anything other than a valid form of workplace communication and welcomed as such.

**Compliance with all Applicable Policies and Laws**

Compliance with all applicable local, state, federal and foreign laws is a fundamental aspect of our commitment to integrity. An individual understanding of relevant company policies, laws, rules and regulations is also required. Accordingly, any employee with doubts about whether potential action complies with applicable law or Company policy should not take any action without obtaining the advice of a relevant expert. Each and every employee is responsible for preventing and reporting violations or potential violations.

**Competition**

Principled competition is the lifeblood of a free market economy. Therefore, we welcome and pledge to engage in such competition. This means our products and services will only be sold based on factors deemed fair and reasonable given applicable market conditions. This also means we will not engage in any collusion, conspiracy or any other inappropriate/illicit practices with regards to pricing. Finally, we will not offer to make or request unlawful payments or similar recompense in return for the purchase of our goods or the sales of its products or services.

**Proprietary Information**

We will abide by all applicable laws, rules and regulations pertaining to the acquisition and use of Intellectual Property. Specifically, we will not obtain or try to obtain a competitor's trade secrets or other proprietary or confidential information; nor will we condone or participate in improper use, copying, distribution or alteration of software or other intellectual property.

**Safeguarding Inside Information**

The deliberate or inadvertent disclosure in any forum of any inside information regarding the company, its business practices, strategies, financial status, operational results or similar information is strictly prohibited. Employees tasked with crafting presentations or proposals should be especially mindful of these restrictions.

**Avoid Conflicts of Interest**

Any and all relationships or activities that actually compromise or could potentially compromise any employee's fairness or objectivity should be avoided. In this context, professional integrity is paramount. This means the use of company property or information for personal gain is strictly prohibited.

It is sometimes difficult to determine whether certain activity constitutes a conflict of interest. Any employee with doubts about whether certain conduct actually is or could be construed, as conflict of interest should consult a supervisor before taking any action.

**Accepting Professional Courtesies**

It is not unusual for professional courtesies to be extended to company employees from time to time. However, such courtesies should not be expected and requesting them is strictly forbidden. Although there is no prohibition against the occasional acceptance of unsolicited professional courtesies, employees should not feel obligated to accept them. Employees in key decision-making positions should be wary of accepting any professional courtesy that could potentially or actually have an unfavorable impact on our reputation. If any employee feels uncomfortable accepting or has any misgivings about accepting a professional courtesy, the best course of action is to decline politely.

**Meals, Refreshments Entertainment and Gifts**

There is no prohibition against the acceptance of occasional meals, refreshments, entertainment, gifts and similar business courtesies that are commonplace and as such fall within conventional norms as long as:

- They are not too extravagant.
- The acceptance of such courtesies from any one person, organization or business is not habitual.
- Any such courtesies are not offered or do not appear to be offered in exchange for any business "favors" of any kind.
- The acceptance of any such courtesy would not cause the employee to feel uncomfortable about disclosing it to his or her supervisor, or with public disclosure.

Ordinary business entertainment is also acceptable; however, professional misconduct occurs when the value or cost of such entertainment creates or could potentially create a conflict of interest. Questions about the acceptance of any business courtesies should be directed to your direct supervisor, manager or to the Human Resources department.

**Offering Professional Courtesies**

In the routine course of business, it is not unusual to offer professional courtesies. Making such offers is acceptable as long as it is not done, or cannot be perceived as being done to curry favor with or otherwise influence the recipient. The use of personal funds or resources within this context is expressly prohibited. Accounting for business courtesies should comply with approved company procedures.

The gifting of certain promotional items is generally acceptable, as long as such activity complies with acceptable professional norms. Employees with questions or concerns about such activity should consult their direct supervisor or manager. The approval of other courtesies such as meals, refreshments or entertainment of reasonable value, will be granted as long as:

- The activity does not violate or appear to violate any applicable laws, rules, regulations or standards of conduct.
- The professional courtesy conforms to applicable norms, is only offered occasionally and is not excessive.
- The professional courtesy is properly documented.

### **Truthful Public Disclosures**

We will ensure that any and all financial information made available to the investing and general public in any format is truthful, timely and fully explained. This obligation applies to all employees from the CFO down, who are in any way responsible for the preparation of such information. Any inadvertent or deliberate inaccuracy in or falsification of such information is unacceptable; and any concerns about the veracity or accuracy of such material should be immediately directed to the compliance officer.

### **Corporate Recordkeeping**

We create, retain and dispose of our official documents as part of our normal course of business in accordance with applicable company policies and procedures; and in compliance with all regulatory and legal requirements.

All corporate records must be factual, exact and absolute, and company data must be promptly and accurately documented in our books in accordance with all relevant internal and external accounting practices.

We must not unduly affect, influence or mislead any audit, nor interfere with any auditor engaged to perform an independent audit of company records, processes or internal controls.

### **Accountability**

Each and every employee must familiarize himself or herself with this Code and act accordingly. Each and every employee is ethically obligated to ask questions if he or she is unsure of company policy. Each and every employee is ethically obligated to contact the Human Resources department if he or she has any concerns about compliance with or violations of this Code. The values and principles included herein are taken seriously, and violations are cause for disciplinary action up to and including termination of employment.

Protection of confidential company information, as well as nonpublic information entrusted to us by employees, customers and other business partners is key to our success. This includes but is not limited to pricing and financial data, customer names/addresses or nonpublic information about other companies, including current or potential suppliers and vendors. The disclosure of such information without a valid business or legal purpose and proper authorization is not permitted and will not occur under any circumstances.

### **Use of Company Assets**

Company assets, including time, material, equipment and information, are provided for professional use. There is no prohibition of occasional personal use as long as it is not disruptive and does not harm job performance. Employees and those who represent the company are entrusted with responsible use of such material. Managers are responsible for the material assigned to their departments and are empowered to resolve issues concerning its proper use.

Generally, the use of company equipment such as computers, copiers and fax machines for outside business purposes or in support of any religious, political or other outside daily activity is not permitted. Distribution of information or material not relevant to the company, its products or services, by any employee in work areas or during work hours is not allowed.

In order to protect the interests of the company and our employees, we reserve the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or company intranet. Use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate is prohibited.

**Social Responsibility**

We will strive towards good corporate citizenship and contribute positively to the promotion of social responsibility in the community in which we conduct our business by initiating activities and programs geared towards community welfare and environmental protection.

**Compliance**

Because it is crucial to the company's success, compliance with these values is mandatory. Our Compliance Team is tasked with ensuring that all employees are aware of, understand and abide by these principles. Supervisory personnel are also tasked with ensuring that their subordinates abide by the principles set forth in this Code. The board is authorized to review compliance, and audits will be authorized as necessary. Employees are ethically obligated to report any violations or suspected violations of this Code to management's attention; and provisions for confidential reporting have been made.

We anticipate that employees are likely to have questions regarding how this Code of Ethics and Business Conduct applies in particular situations. We expect all employees with such questions to discuss the exact circumstances with designated supervisory personnel. If such personnel cannot fully and accurately answer these questions, they should consult the Compliance Team.

This code shall be reviewed annually or as may be deemed necessary by the management of Powercity Corporation.