

**PHILEQUITY  
MANAGEMENT, INC.**

**CODE OF  
CONDUCT AND DISCIPLINE**

## Table of Contents

CONFLICT OF INTEREST .....	3
CONDUCT OF BUSINESS AND FAIR DEALINGS .....	3
RECEIPT OF GIFTS FROM THIRD PARTIES.....	3
COMPLIANCE WITH LAWS & REGULATIONS.....	3
RESPECT FOR TRADE SECRETS/USE OF NON-PUBLIC INFORMATION .....	4
USE OF COMPANY FUNDS, ASSETS AND INFORMATION .....	4
EMPLOYMENT & LABOR LAWS & POLICIES .....	4
DISCIPLINARY ACTION .....	4
WHISTLE BLOWER .....	4
CONFLICT RESOLUTION .....	5

## **CONFLICT OF INTEREST**

1. A Director should not use his position to make profit or acquire advantage for himself and his related interests.
2. Senior management is expected to ensure that they themselves and their subordinates are not in any way involve in any conflict of interest which can adversely influence their judgment, objectivity or loyalty to the Company.
3. The Company has adopted certain basic work rules for all employees, based on common sense guidelines, basic work ethics, and respect for others. The Company recognizes that employees may take part in other activities outside of their work, but any potential conflict of interest arising from said activities must be disclosed promptly to management.

## **CONDUCT OF BUSINESS AND FAIR DEALINGS**

1. A Director is expected to conduct fair business transactions with the Corporation and to ensure that personal interests do not influence board decisions.
2. Senior Management and Employees should ensure that their personal interests do not conflict with the interest of the Company. Senior management should make sure that employees abide by all laws and company policies at all times.

## **RECEIPT OF GIFTS FROM THIRD PARTIES**

1. It is recognized by the Company that giving and receiving “business gifts” to include entertainment and gift items is a customary way to strengthen relationships. However, said gifts should be nominal in value and not given or received with intent to influence the decision making of the recipient. No one may give or receive gifts that will violate laws, regulations and agreements

## **COMPLIANCE WITH LAWS & REGULATIONS**

1. Directors are expected to comply with the SRC disclosure requirements, rules and regulations. Senior officers are expected that policies and regulations of the Company are practiced by the employees. Should violations occur, management should ensure that appropriate disciplines are applied including or up to termination of employment.
2. Each employee is expected to follow all Company policies and regulations at all times.

## **RESPECT FOR TRADE SECRETS/USE OF NON-PUBLIC INFORMATION**

1. Directors are expected to respect the sensitivity of the information received during their term of service. Confidentiality should be maintained at all times.
2. At all times, company assets should be protected including trademarks, intellectual property, electronic files and confidential information. All officers and staff are prohibited to communicate material non-public information to any person.

## **USE OF COMPANY FUNDS, ASSETS AND INFORMATION**

1. Directors should ensure that all policies with regard to Company assets, funds and information are widely practiced. Said policies are supposed to be reviewed regularly.
2. Officers and staff are expected to use Company Assets, information and funds with utmost respect and within the boundaries of policies and regulations, in pursuit of legitimate company business interests. Senior management is expected to make sure that all employees adhere to the guidelines.

## **EMPLOYMENT & LABOR LAWS & POLICIES**

1. Directors are expected to ensure that employment labor laws are strictly followed and adhered to by the Company.
2. Employment and labor laws are widely disseminated in the Company for everyone to follow and comply with.

## **DISCIPLINARY ACTION**

1. All directors, officers and staff who violate the provisions stated in the Corporate Governance Manual and Code of Ethics shall be subject to penalties and/or sanctions as maybe imposed by the Board of Directors.

## **WHISTLE BLOWER**

1. Established by the Audit Committee and approved by the Board, the Company has existing procedures with regard to receipt, retention, treatment of complaints and confidential/anonymous submission of information regarding internal dishonest or illegal activities. The procedures are designed to facilitate disclosures and proper individual conduct of everyone in the Company.

## **CONFLICT RESOLUTION**

1. Resolutions of conflicts in the Company involve negotiation, mediation, arbitration, diplomacy, peace building, etc. Said conflicts, if not resolved within the Senior Management level, are elevated to the respective Committees created by the Board to include, Executive Committee, Audit Committee, Corporate Governance Committee, among others. Said committees are guided by their respective guidelines and policies to consider in resolving conflicts between and among stockholders, Corporation and third parties, etc.