

4 8 F A C T O R I N G

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# Code of Business Conduct





Dear Colleague:

Since its foundation 48 Factoring has been committed to maintaining the highest ethical standards. Our core values exemplify our drive for excellence with honesty and integrity in all that we do. It is important to us that we continue to build and strengthen our reputation for integrity and honesty within the commercial finance environment.

The embodiment of our core values in all our business transactions helps to build the trust of our customers, employees, shareholders, vendors and all other communities with which we work.

Our Code of Business Conduct illustrates our core values and helps to provide guidance as to the right actions to take even in difficult situations.

Please take time to read the Code of Conduct and familiarize yourself with it. Although the Code is wide-ranging it cannot cover every situation; therefore, if you are uncertain of the right action to take please seek further guidance.

Sincerely,

A handwritten signature in black ink, appearing to be 'R. S. Goggin', written over a light gray rectangular background.

Robert S. Goggin  
Chairman of the Board

Our Core Values underpin our culture and work environment, influencing and affecting everything we do, externally and internally.

### Integrity

We are committed to working honestly and fairly with everyone, and keep our promises.

### Respect

We treat everyone with high regard, earning your respect through our actions, words and deeds.

### Resilience

We are able to meet and deal with each challenge turning it into an opportunity for us to improve and progress the organisation.



## Purpose of Code of Business Conduct

48 Factoring’s Code of Business Conduct ("Code") sets out the standards of business conduct for all Employees and Contingent Workers. Some of the policies are based on laws and regulations whilst others are the ethical standards that enable 48 Factoring to operate efficiently and successfully.

The purpose of the Code is to provide guidance and set the ethical standards for the organization. It applies to all business activities including

customers, vendors, competitors, government representatives, clients and colleagues at all levels. The scope also includes communications/media, investors and any other individuals or bodies who may link our actions or words to 48 Factoring.

The Code may be updated or changed at any time. The latest version will always be available on the 48 Factoring website.



# Ethical Responsibilities

We all have a responsibility to abide by the appropriate laws and regulations as individuals and on behalf of 48 Factoring. In addition, we must take responsibility to comply with the Code of Conduct, and any other applicable policies and procedures, ensuring that 48 Factoring continues to operate to the highest ethical standards.

The Code of Conduct may be adapted to suit changing business needs and environment but the determination to act fairly and honestly will remain. Supervisors have a responsibility to ensure that employees are aware of 48 Factoring's Code and the organization's core values.

If you have a concern or question not addressed by the Code of Conduct please raise this to your supervisor or other appropriate personnel.

48 Factoring will not allow unethical business conduct or dishonesty by employees or contingent workers and you have a responsibility to report apparent misconduct to the appropriate personnel. Such behavior is incompatible with 48 Factoring's core values and will be subject to disciplinary action which could include immediate termination.

## Is it Ethical?

If you are in a situation where the right action is unclear seek further advice from your supervisor or other appropriate personnel. You can also ask yourself these questions:

- Is it legal and is it the right action to take?
- Could this harm the reputation of 48 Factoring?
- How would it look in the media e.g. newspapers?
- How would others view this; my family, friends, colleagues our shareholders or regulators?
- Is it consistent with 48 Factoring's core values, policies and guidelines?

By answering these questions it will help to guide you to the correct action.



# Administration

From the start of your employment with 48 Factoring and for each subsequent year it is a requirement that you read the Code of Conduct. You must acknowledge in writing that you have read, understood and agree to abide by the Code. It is a requirement that you disclose any unreported transactions, relationships and activities that are not allowed by the Code of Conduct that require disclosure. Contact your supervisor for guidance on disclosure relating to activities that occurred before you received the Code.



## Questions about the Code?

Please contact your supervisor if you have any questions about the Code.

## Reporting Violations

In order to uphold our ethical standards all activity that appears to violate any law, rule, regulation or the Code should be reported by an employee, contingent worker, customer, vendor etc. You can

report activity to your supervisor or the Board of Directors. Although anonymity is permitted it is easier to complete a full investigation if you identify yourself.

## Anonymous Reports Accepted

48 Factoring will try, where possible, to keep the identity of anyone who reports a violation confidential. Acts of retaliation against individuals who report possible Code violations in good faith

will not be tolerated. Such acts will be seen as a violation of this Code and the law. Deliberate false accusations also constitute a violation of the Code.



# Cooperation and Candor

We are all responsible for clear and honest reporting of 48 Factoring's business activities to our supervisors and representatives who include auditors, attorneys, Compliance and Human Resources staff. We also have responsibility for providing information to our regulators and cooperating with honesty and integrity; as failure to do so can incur financial penalties, disciplinary measures and harm to 48 Factoring's reputation.

There must be full disclosure of relevant information and any failure to comply with this condition is a breach of trust and will result in disciplinary action that can include immediate termination.

# Penalty for Violations

Compliance with this Code and 48 Factoring's policies and procedures is a term and condition of your employment with, or service for 48 Factoring.

Failure to comply or cooperate with an internal investigation can provide grounds for disciplinary action including immediate termination.

# Supplemental Policies

48 Factoring may issue additional policies to supplement the Code to cover specific topics in detail. All 48 Factoring's policies and procedures

are available on the website or in the internal shared documents folder.

# Definitions

- 48 Factoring means 48 Factoring Inc.
- Code means this Code of Business Conduct.
- Employees means employees, managers and directors of 48 Factoring
- Contingent Workers means temporary workers, independent contractors, advisors, consultants and any other personnel who not employees who perform services for, or on behalf of, 48 Factoring.
- Immediate family means your spouse, domestic partner, minor children and dependents, including natural, adoptive, and step-children, any other individual residing in the same household as you, and any individual or organization that represents or acts as agent for such individuals.



# Respect for Each Other

48 Factoring maintains a diverse workforce that is free from discrimination through all activities from recruitment, hiring, training and promotion. It will not tolerate any discrimination protected by law whether gender, age, race, religious faith, sexual orientation or disability, etc. All job appointments are and will be conducted on the basis of an individual's qualification for the job.



# Discrimination and Harassment

All forms of discrimination and harassment based on age, race, gender, religious faith, sexual

orientation or disability are prohibited by 48 Factoring.

# Retaliation

48 Factoring will not tolerate any retaliation against an individual who reports discrimination or harassment or participates in an investigation into such reports. Such retaliation is a serious violation

and will be treated similar to a discrimination or harassment violation. 48 Factoring will take disciplinary action for any proven violation which can include immediate termination.

# Reporting Workplace Violations

We all must do our best to prevent workplace discrimination, harassment, and retaliation. Promptly report any instances of discrimination,

harassment, or retaliation to your immediate supervisor or the Board of Directors.

# Respect for Company Assets - Protection of Assets

48 Factoring's assets should only be used to meet the business needs and goals of 48 Factoring. The company's assets include physical items, such as furniture and computers plus non-physical assets, such as intellectual property (business plans or client information) and 48 Factoring's public reputation. Other intellectual property is the work that you produce for 48 Factoring whether in the office or at home. It must all be used for the benefit of 48 Factoring.

The intellectual property of other companies must also be respected and protected. You may have

access to intellectual property of other companies, for example from previous employment, which must not be used as part of your employment, or provided to anyone else to use, at 48 Factoring.

We look after physical assets to keep them safe and secure. In the same way we protect our reputation and intellectual property, keeping documents safe at all times, not sharing information, and acting reputably. We follow standard procedures when communicating with the public or media.

## Use of Social Media

The individual officer responsible for social media within 48 Factoring is George Bessenyei. Social media will be used by 48 Factoring to promote and build the company's brand. Unless authorized by your supervisor no other person can speak officially on behalf of 48 Factoring.

Note that when company assets are used to access social media sites by employees or contingent workers there is no expectation of privacy. You must comply with 48 Factoring's record retention policies at all times.



## Use of Assets

48 Factoring's assets will be used primarily for conducting the business of 48 Factoring. However, there may be occasional and infrequent use of the

company's assets for personal, non-business purposes.



# Use of Computer Systems, E-Mail and the Internet

All 48 Factoring's computer systems (software, hardware and network) are the property of 48 Factoring and are to be used primarily for business purposes. 48 Factoring's ownership extends to email and electronic data created, accessed and stored using 48 Factoring's computer systems.

Email is often treated as a legal document similar to a letter and, therefore, the same level of care should be exercised in its creation and transmission. Any confidential or restricted material must be clearly marked as such, regardless of the method of transmission (email, fax, other electronic transmission, or via internet).

Email must not be used to transmit material that is illegal, obscene or otherwise contravenes 48 Factoring's workplace rules.

48 Factoring may monitor or access any of its electronic messaging systems and/or material accessed from the internet via 48 Factoring's equipment. Employees should not have an expectation of privacy when using 48 Factoring's computer equipment and services.

# Use of Copyrighted Materials

During your employment at 48 Factoring you may have access to a variety of copyrighted material which must be handled according to copyright laws. Copyrighted material includes publications, books, software, audio or visual tapes. This means that copying or distributing such material cannot be done unless authorization has been obtained

from the copyright owner or authorized agents. With regard to computer software you must adhere to the license agreement and must not copy software whether for business or personal use. Occasional or incidental copies of printed materials are permitted.

# Use of Company Assets for Political Activities

48 Factoring's property must not be used to support a political candidate or party by: direct contributions to a candidate or campaign,

providing loans at preferential rates or providing a non-financial contribution such as use of equipment to a campaign or candidate.

# Other Political Contribution Activities

48 Factoring encourages its employees to participate in political activities on their own time as long as they are undertaken voluntarily and with no representation of 48 Factoring.

Any questions regarding political contributions or activities must be directed to your supervisor.

# Proper Business Conduct

Our core values must be represented in all our business transactions in 48 Factoring. In this section we will consider how our core values affect

our reporting, management of confidential information, conflicts of interest and accountability.

# Use of Authority

You have been assigned a level of authority as part of your employment with 48 Factoring and it is your responsibility to act prudently and responsibly. Ensure that you are aware of the

extent of your authority. You must not sign any document, or exercise authority on behalf of 48 Factoring unless you are authorized to do so.

# Suppliers

Supplier selection for orders or contracts of goods or services must be conducted on the basis of

merit. There must be no real or apparent favouritism in the selection process.

# Confidentiality

## Safeguarding Confidential Information

Confidential information is information that is generally not available to the public including business or development plans, financial or personal data, proprietary software and electronic data. As part of your employment you may have access to confidential information which relates to 48 Factoring, its' customers, suppliers, clients or shareholders. It is critical to 48 Factoring's business that confidential data is protected and it should be kept secure at all times. You must not disclose

confidential information unless previously authorized to do so by the appropriate 48 Factoring personnel and it can only be used for the purpose of 48 Factoring business. Do not discuss work-related matters outside work. In addition, you must not use information, whether confidential in nature or not, gained through your employment at 48 Factoring for personal or private benefit.



# Proper Reporting: Books, Records and Accounting

It is critical that proper accounting records are kept of 48 Factoring. The records must be maintained with integrity and accurately reflect all transactions.

**Proper reporting includes:**

- i. Expenditure authorization
- ii. Complete, accurate and timely reporting of transactions
- iii. Communication of information for external or independent review

All directors and employees have responsibility to comply and maintain the control procedures for each of the above. Any authorization of expenditure must be completed in line with the organization's approval policies. All expenditure on behalf of 48 Factoring must be supported by the relevant documentation; expenditure must not be approved if the relevant supporting documents are not provided.

All transactions must be recorded accurately meeting standard procedures and enabling the timely production of accounts in accordance with

generally accepted accounting principles. If you incur any business expense you have responsibility to report it on time and accurately.

Communication of information to 48 Factoring's auditors, accountants or regulators, lawyers or investigators as part of an investigation or review of financial statements must be accurate and timely.

There must be no undisclosed fund or "slush fund" set up or maintained which is not accurately recorded in the financial books of 48 Factoring.

Any individual employed by or otherwise affiliated with 48 Factoring who knowingly records, submits or communicates false or fraudulent information will be subject to disciplinary action. This is a violation of the Code and a serious violation of law and, in some instances, may be a breach of certain contractual agreements. Providing false or misleading information to our regulators, accountants, auditors or lawyers is a violation and will be treated similarly.

# Release of Client or Customer Information

We all have responsibility for protecting the confidentiality of information relating to 48 Factoring's customers.

Unless you are authorized to do so by the customer or client and with your supervisor's approval do not disclose information regarding customers or clients to any third party including government agencies.

In all other circumstances refer all requests by third parties for customer or client information to your supervisor. Personal information such as customer or employee data must not be stored on any portable electronic storage device without the applicable authorization.



# Conflicts of Interest

A conflict of interest is where a set of circumstances creates a risk that professional judgement or interest may not be compatible with, or may be influenced, by a secondary interest. We each have a responsibility to avoid situations where there is a conflict of interest between our personal interests

and those of 48 Factoring. We must carry out our business without any real or potential conflict of interest. Therefore, if there is any appearance of conflict, whether real or potential, you must inform your supervisor immediately.

# Transactions in which You Have a Personal Interest

You must not be involved in business transactions on behalf of 48 Factoring with organizations where you have a conflict of interest. Such situations can be where you or your immediate family hold office or have a material financial interest in the organization. If you do become involved in such a situation in which you or your immediate family

have interests, financial or otherwise, then you must advise your supervisor immediately and request to be removed from that situation. This provision applies to all commercial and nonprofit organizations. Address any queries on this topic to your supervisor.

# Personal Finances

You should manage your personal finances in a manner that avoids any real or potential conflict of interest. This involves the following situations:

- i. You must not borrow money from, or act as a guarantor on behalf of any 48 Factoring customer, vendor or client.
- ii. You and your immediate family must not invest in the securities of a customer, supplier or client of 48 Factoring where you are, or recently have had, direct or indirect responsibility; unless the securities are traded on a national securities exchange or widely traded, and the investment is not of the magnitude that is likely to cause a conflict of interest.



## Business Opportunities

Business opportunities that are offered to or sought by 48 Factoring, or that are tracked using 48 Factoring's resources belong to 48 Factoring. They must not be used for your own benefit or for the benefit of others. You must not use 48 Factoring's name or any of its resources (i.e. property) to further your own interests, whether economic or

otherwise, or the interests of any other person or business entity other than 48 Factoring. You must not use your position in 48 Factoring to obtain referral fees from third parties, engage in self-dealing or participate in any business that is a competitor to 48 Factoring.

## Gifts, Meals and Entertainment

Personal benefit cannot be solicited or accepted from any customer, supplier or client who has or is seeking business with 48 Factoring where this may influence or seem to influence your business judgement. This includes indirect gifts where benefit is given to members of your immediate family or a charity that you support. Similarly, you may not offer personal benefits to those where 48

Factoring is seeking business. Personal benefits can include entertainment, gratuity, service, loan, favor, or anything of monetary value.

This policy is not intended to include gifts where the personal relationship is dominant such as non-business related gifts between close family members.

## Accepting Gifts, Meals and Entertainment

Generally the donation or acceptance of gifts to and from 48 Factoring's customers, suppliers or clients is prohibited. However, 48 Factoring's allows that gifts, meals and entertainment can be accepted where it is clear the donor is not trying to influence or reward the recipient and the gift is unsolicited.

However, gifts of cash, securities, discounts or rebates cannot be accepted unless they are available to the general public. Any accepted gift must be of reasonable value only, that is, it is of the level that would usually be reimbursed by 48 Factoring. Nonetheless, consult your supervisor if there are any concerns regarding potential gifts.

## Giving Gifts, Meals and Entertainment

On the whole, the same rules apply to giving gifts as to those for accepting gifts. Additionally there are specific rules when transacting business with certain organizations such as government agencies

or entities and for certain business groups such as broker-dealers. Contact your supervisor for more information.

## Outside Activities

As an employee of 48 Factoring you should not undertake any other employment or engage in outside activities if it may reflect adversely on 48 Factoring or subject 48 Factoring to criticism. Additionally, you must not undertake outside activities where it may create a real or potential

conflict of interest, impact your working hours or involve long hours that adversely affect your physical or mental working state at 48 Factoring. Please discuss with your supervisor any such activity and request approval prior to commencement.

## Civic and Charitable Activities

48 Factoring encourages employees to participate in charitable activities. If you would like to serve on the board of a non-profit organization consult your supervisor as there may be demands on your time or potential conflicts of interest that could impact your 48 Factoring employment. For those working in some business segments there will be specific

regulations which will require the approval of the your supervisor. Consult your supervisor if you are uncertain. There is the potential for conflicts of interest with appointments to local, state or federal government entities. For these, written prior approval must be sought and given by your supervisor.

## Outside Employment and Consulting

You must have the written approval of your Function Leader and of your supervisor prior to accepting a position as director, officer or owner of another business. The approval must be reviewed

and updated annually. Secondary employment can be obtained as long as it complies with all 48 Factoring's policies and procedures relating to outside activities and employment.

## Compliance with Laws

You are responsible for complying with the applicable laws and regulations in any jurisdiction in which 48 Factoring transacts business. Consult your supervisor if you have any query regarding

the relevant laws or regulations. You have a responsibility to keep updated with 48 Factoring's policies and procedures.



# Antitrust and Trade Regulation

The competitive marketplace is protected by laws to prevent unfair competition. It is illegal to do any of the following in collusion or cooperation with competitors:

- set prices, terms or conditions of financial products or related services;
- decline to do business with particular individuals or organizations; or

- discuss or exchange sales information that is not publicly available.

You must never confer or collude on any of the above matters with competitors as this could be construed as an improper agreement.

# Improper Payments

US laws at municipal, state and federal levels prohibit bribes, kickbacks or similar payments to any government official or other within the US. You must not give any payment of cash or cash equivalent that could be considered a bribe in

order to keep, gain or attract business for 48 Factoring.

You must be aware of the US foreign corrupt and anti-bribery laws and abide by these.

# Money Laundering

48 Factoring is committed to preventing and detecting money laundering and any other criminal activities that are misusing the financial system. As an employee or contingent worker of 48 Factoring you have an obligation to ensure that you report any suspicious activity to your supervisor.

You must comply with all 48 Factoring's relevant policies and procedures which include obtaining sufficient information on prospective customers to confirm their identities and checking that they are not listed on any US prohibited person list. If you have any questions related to anti-money laundering policies consult your supervisor.

# Reporting Code Violations

Any Code violation can be reported to your supervisor or the Board of Directors.





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