



## **Watchpoint Logistics, Inc. Business Conduct and Ethics**

The success of our business is dependent upon the trust and confidence we earn from our employees and customers. We gain credibility by adhering to our policies and principles; displaying honesty, integrity and reaching company goals through honorable conduct and hard work. So that our employees, consultants and contingent workers understand our core values, it is important that we outline our expectations, especially in situations where improper activities could damage the Company's reputation and result in serious consequences to the Company.

All employees (direct employees, contingent workers and independent contractors) must maintain professional conduct at all times and never engage in theft of or misuse company or customer property (including items designated for destruction). Any conduct including but not limited to acts of theft or fraud will be met with disciplinary action up to and including termination of employment.

No employee may accept a gift or gratuity from any customer, vendor, supplier, or other person doing business with Watchpoint Logistics, Inc. (WATCHPOINT) other than gifts of nominal value. For this purpose, we informally treat nominal value as US\$25.00 or less cumulative in any 12-month period. We have this policy in place because acceptance of any gift or gratuity may give the appearance of influencing business decisions, transactions or service.

WATCHPOINT prohibits employees from paying, soliciting or receiving any rebate, directly or indirectly, which is unlawful under the Shipping Act of 1984 and related regulations of the Federal Maritime Commission (FMC). Illegal rebate activities by common carriers include:

- Charging, collecting or receiving any greater, lesser or different compensation for transportation or services than the rates and charges shown in the carrier's tariffs or provided for in an executed Negotiated Rate Agreement (NRA) or non-vessel-operating common carrier service arrangement (NSA);
- Rebating or refunding any portion of its rates except in accordance with tariffs;
- Allowing any person to obtain transportation at less than tariff rates by means of false billing, false classification of cargo, false weighing, false measurement or any other unfair measure;
- Offering any deferred rebate.

WATCHPOINT prohibits employees from making payments to foreign government officials to assist in obtaining or retaining business which is unlawful under the Foreign Corrupt Practices Act. Such payments include: The willful use of the mails or any means of instrumentality of interstate commerce corruptly in furtherance of any offer, payment, promise to pay, or authorization of the payment of money or anything of value to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a foreign official to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist in obtaining or retaining business for or with, or directing business to, any person.

WATCHPOINT also prohibits employees from engaging in bribery, as defined as giving someone a financial or other advantage to encourage that person to perform their functions or activities improperly or to reward that person for having already done so. This also includes seeking to influence a decision-maker by giving some kind of extra benefit to that decision-maker rather than by what can legitimately be offered as part of a tender process.



Any employee that becomes aware of or witnesses a payment/bribe, or attempted payment/bribe as outlined above, regardless of who is making or attempting to make such payment/bribe, must report it to the President of WATCHPOINT.

WATCHPOINT requires that any offer to pay expenses by any customer, vendor, supplier, or other person doing business with WATCHPOINT for business meals or trips must be disclosed to the President of the Company and may not be accepted without the written approval of the President of the Company.