



FREPORT SHIP
SERVICES

CODE OF CONDUCT

Code of Conduct

One essential goal of Freeport Ship Services is to uphold ethical standards in all our company activities. The purpose of this Code of Conduct is to strengthen the Company's ethical climate and to provide basic guidelines to all employees for many situations that may arise. However, standards of conduct cannot provide guidelines for every situation that occurs and when in doubt, discuss your ethical issues with the appropriate parties with your Manager, Human Resources Manager or the company's President.

All employees of Freeport Ship Services are expected to perform their work with honesty, objectivity, truthfulness and integrity.

It is the policy of this Company to comply with all applicable laws, including, without limitation, employment, discrimination, health, safety, and environmental laws.

Each employee of Freeport Ship Services is responsible for compliance with this Code of Conduct. If any employee has questions about any section of this Code of Conduct, he or she should direct all questions to his or her immediate Supervisor, Department Manager, Human Resources Manager or the President.

Conflicts of Interest

A conflict of interest may arise in any situation in which an employee's loyalties are divided between personal interests and business interests that, to some degree, are incompatible with the interests of the company. All such conflicts should be avoided. The company demands absolute integrity from all its employees and will not tolerate any conduct that falls short of that standard. The company expects that no employee will knowingly place himself or herself in a position that would have the appearance of being, or could be construed to be, in conflict with the interests of the company. Managers of Freeport Ship Services have a responsibility to inform subordinates as appropriate, regarding the confidentiality of information acquired in the course of their work and monitor their activities to assure the maintenance of that confidentiality.

Some of the more sensitive areas of conflicts of interest and the company's related guidelines are as follows:

Accepting Gifts and Entertainment

The Company's aim is to discourage givers of gifts from seeking or receiving special favors from company employees. (For guidelines concerning the giving of gifts to, or entertainment of customers and others by company employees, employees are referred to paragraphs below.) Accepting any gift of more than nominal value or entertainment that is more than a routine social amenity can



appear to be an attempt to influence the recipient into favoring a particular customer, vendor, consultant, or the like.

To avoid the reality and the appearance of improper relations with current or prospective customers, vendors and consultants, employees should observe the following guidelines when deciding whether or not to accept gifts or entertainment:

Gifts

Gifts such as merchandise or products, as well as personal services or favors may not be accepted unless they have a value of less than \$50. This dollar limit is intended to serve as a guideline, and employees are urged to consult with the President before accepting any gifts of more than nominal value. Gifts of any amount may never be solicited. A gift of cash or securities may never be accepted.

In some international business transactions, it is customary and lawful for business leaders in a host country to give gifts to Company employees. These gifts may be of more than nominal value and under the circumstances returning the gifts or paying for them may be an affront to the giver. In such a situation, the gift must be reported to the employee's Supervisor, Manager or Human Resources Manager.

In all other instances where gifts cannot be returned and offering to pay for them would adversely affect continuing business relationships, senior management must be notified. In some cases, the gift may be retained by the Company, at its sole discretion, and not the individual.

Entertainment

Normal business entertainment such as lunch, dinner, theater, a sporting event, and the like, is appropriate if of a reasonable nature and in the course of a meeting or another occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations.

All such entertainment should be reported (in advance, if practical) by the employee to his or her Supervisor/Manager. No employee may accept tickets or invitations to entertainment when the prospective host will not be present at the event with the employee.



Outside Activities

An employee is not allowed to have a "free-lance" or "moonlighting" activity that has any of the following attributes:

- Materially encroaches on the time or attention which should be devoted to the employee's duties
- Adversely affect the quality of work performed; compete with the Company's activities
- Imply sponsorship or support by the Company of the outside employment or organization
- Or adversely affect the good name of the Company

All free-lance or moonlighting activities require the prior written approval of the President or Human Resources Manager. Employees who free-lance or moonlight may not use company time, facilities, resources, or supplies for such work.

Interests in Other Businesses

Unless approved in advance by an senior management, neither an employee nor his or her spouse, domestic partner, or any other member of the employee's immediate family may directly or indirectly have a financial interest (whether as an investor, lender, employee, or other service provider) in a competitor, or in a customer or supplier if that employee or his or her subordinates deal directly or indirectly with that customer or supplier in the course of his or her job with the company.

Use of Company Property and Information

All employees are responsible for the proper use of the company's physical resources and property, as well as its proprietary and other confidential information. Unless otherwise prohibited by an employee's Supervisor/Manager, reasonable incidental use of a Company telephone, computer, or other equipment is permitted.

Company Properties and Facilities

Company property, facilities, or physical resources may not be used for solicitation or distribution activities, which are not related to an employee's services to the Company, except for charitable activities that have been approved in writing in advance by the Company.



Employees may not solicit any other employee during working time, nor may employees distribute literature in work areas at any time. Under no circumstances may an employee disturb the work of others to solicit or distribute literature to them during their working time. Persons not employed by the Company may not solicit Company employees for any purposes on Company premises.

Any employee found to be engaging in, or attempting theft of any property of the Company, including documents, equipment, intellectual property and personal property of other employees, cash or any other items of value will be liable to immediate summary dismissal and possible criminal proceedings against them. All employees have a responsibility to report any theft or attempted theft to the Company's management.

Company Proprietary and Other Confidential Information

The Company operates in different and competitive markets. Every employee should be aware that in any competitive environment, proprietary information and trade secrets must be safeguarded in the same way that all other important Company assets are protected.

All employees of Freeport Ship Services must refrain from using or appearing to use confidential information acquired in the course of their work for unethical or illegal advantage either personally or through third parties.

Information concerning pricing, products and services that are being developed, and other such trade secrets, including information pertaining to any prospective Company acquisition or divestiture, must be held in the strictest confidence, and reasonable prudence and care should be exercised in dealing with such information in order to avoid inadvertent and inappropriate disclosure.

This information must not be used in any way other than as required in performing employment duties. All files, records, reports and manuals acquired or created in the course of employment are the property of the Company. Originals or copies of such documents may be removed from the Company's offices for the sole purpose of performing the employee's duties to the Company and must be returned at any time upon request. Employees must also abide by the provisions of the Company's Confidential and Proprietary Information Policy.

Trademarks, Service Marks and Copyrights

Trademarks and service marks - words, slogans, symbols, logos, or other devices used to identify a particular source of goods or services - are important business tools and valuable assets which require care in their use and treatment.



No employee may negotiate or enter into any agreement respecting the Company's trademarks, service marks, or logos, without consultation with the President.

Employees must avoid the unauthorized use of copyrighted materials of others and should confer with the President and The Department Head if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying, or otherwise using copyrighted materials.

In addition, simply because material is available for copying, such as matter downloaded from the Internet, does not mean that it is automatically permissible to copy or re-circulate. All copies of work that is authorized to be made available for ultimate distribution to the public, including all machine-readable works such as computer software, must bear the prescribed form of copyright notice.

The Company is legally entitled to all rights in ideas, inventions, and works of authorship relating to its business that are made by employees during the scope of their tenure with the Company or using the resources of the Company.

Business Integrity

Bribery, Kickback and Fraud

No funds or assets of the Company shall be paid, loaned, or otherwise disbursed as bribes, "kickbacks", or other payments designed to influence or compromise the conduct of the recipient; and no employee of the Company shall accept any funds or other assets (including those provided as preferential treatment to the employee for fulfilling their responsibilities), for assisting in obtaining business or for securing special concessions from the Company.

Company employees should conduct their business affairs in such a manner that the Company's reputation will not be impugned if the details of their dealings should become a matter of public discussion.

Employees must not engage in any activity, which degrades the reputation or integrity of the Company.

To illustrate the strict ethical standard the Company expects every employee to maintain, the following conduct is expressly *prohibited*:

- Payment or receipt of money, gifts, loans, or other favors which may tend to influence business decisions or compromise independent judgment;



- Payment or receipt of rebates or "kickbacks" for obtaining business for or from the company;
- Payment of bribes to government officials;
- Any other activity that would similarly degrade the reputation or integrity of the company.

Any employee found to be receiving, accepting, or condoning a bribe, kickback, or other unlawful payment, or attempting to initiate such activities, would be liable to termination and possible criminal proceedings against them. Any employee found to be attempting fraud or engaging in fraud will be liable to termination and possible criminal proceedings against them. All employees have a responsibility to report any actual or attempted bribery, kickback, or fraud to the company's senior management.

Relationships with Public Officials

All employees engaged in business with a governmental body or agencies must know and abide by the specific rules and regulations covering relations with public agencies. Such employees must also conduct themselves in a manner that avoids any dealings, which might be perceived as attempts to influence public officials in the performance of their official duties.

Employment Policies

The Company is committed to fostering a work environment in which all individuals are treated with respect and dignity. Each individual should be permitted to work in a business-like atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment.

Therefore, the company expects that all relationships among persons in the workplace will be business-like and free of unlawful bias, prejudice, and harassment. It is the company's policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, or any other status protected by law.

It is the Company's policy to comply with all applicable wage and hour laws and other statutes regulating the employer-employee relationship and the workplace environment.

The Company is committed to providing a safe workplace for all employees. Employees and other persons who are present at Company facilities are required to follow carefully all safety instructions and procedures that the Company adopts.

Compliance with the Code of Conduct

All employees have a responsibility to understand and follow the Code of Conduct. In addition, all employees are expected to perform their work with honesty and integrity in any areas not specifically addressed by the Code of Conduct. A violation of this Code of Conduct may result in appropriate disciplinary action including the possible termination from employment with the Company, without additional warning.

The Company strongly encourages dialogue among employees and their Supervisors and Department Heads to make everyone aware of situations that give rise to ethical questions and to communicate acceptable ways of handling such situations.

In addition, Department Heads and supervisory employees of the Company have an obligation to annually certify that he or she has read and reviewed this Code of Conduct with his or her subordinates, and every employee must certify that he or she has read this Code of Conduct and to the best of his or her knowledge is in compliance with all its provisions.

The Code of Conduct reflects general principles to guide employees in making ethical decisions and cannot and is not intended to address every specific situation. As such, nothing in this Code of Conduct prohibits or restricts the company from taking any disciplinary action on any matters pertaining to employee conduct, whether or not they are expressly discussed in this code.

The Code of Conduct is not intended to create any expressed or implied contract with any employee or third party. In particular, nothing in this document creates any employment contract between the company and any of its employees.

When faced with significant ethical issues, employees should always refer to these standards.

Reporting Concerns

The following steps should be followed:

- Present in writing such conflicts to one of the following persons: the President, General Manager or Human Resources Manager. You may be anonymous in your reporting of any conflicts.
- Except where legally prescribed, communication of such problems to authorities or individuals not employed or engaged by the organization is not considered appropriate