

**TOP FRONTIER INVESTMENT HOLDINGS, INC.**  
**CONFLICT OF INTEREST**

The Code of Conduct and Ethics of **Top Frontier Investment Holdings, Inc.** (the “Company”) emphasizes avoidance of conflict of interest. It requires officers and employees:

- to conduct business affairs with fairness;
- to avoid granting undue personal favors;
- to engage only in private activities or businesses consistent with responsibilities as officers and employees and not detrimental to the interest of the Company;
- to exercise discretion in accepting favors or gifts from person seeking or doing business with the Company;
- to refuse gifts that might connote bribery in any way;
- to utilize Company property, funds, equipment and time solely for Company purposes, and recognize that all intellectual property and rights so created are owned by the Company; and
- to seek prior Management clearance before engaging in outside work.

We protect the Company by identifying and resolving any possible conflict of interest between the Company and officers and employees that would negatively affect the current and future business and legal obligations or good governance.

We are not influenced by personal, family, financial or other considerations which might affect our judgment as to what is best for the Company. There is a conflict of interest if we compromise our exclusive commitment to the Company.

## **Implementing Guidelines on Conflict of Interest**

The Company policy on conflict of interest is based on the principle that officers and employees have a duty to act in the best interest of the Company. In the event that the personal business interests of an officer or employee may conflict with the interests of the Company, proper disclosure by the officer or employee should be made and a review by higher Management should be resolve the conflict.

A possible conflict of interest arises whenever:

1. an officer or employee or his/her close relative (as defined below) has any financial or business interest in the business of any supplier, competitor or in any organization which might benefit from:
  - decisions or actions made by the officer or employee in the execution of Company responsibilities; or
  - the officer's or employee's knowledge of the Company's confidential information action or future plans;

or

2. an officer's or employee's interest in an outside organization takes a significant amount of time or attention such that it adversely affects the performance of his duties and responsibilities to the Company.

A "close relative" of an officer or employee refers to any one of the following: his/her (1) spouse, (2) father or mother, (3) son, daughter, brother or sister, and each of their respective spouses; (4) uncle, aunt, niece, nephew or first cousin, and each of their respective spouses.

If there is a possible conflict of interest, it is the affirmative duty of the officer or employee concerned to disclose such information to his/her immediate superior. The

superior, in turn, shall review and resolve the conflict situation based on Company guidelines and in consultation with higher Company authorities.

Willful concealment of a substantial conflict of interest shall be punishable by discharge in accordance with the Code of Conduct and Ethics.

### *Outline of Procedures*

#### 1. Filing of FBID Form

##### 1.1. Officers

- 1.1.1. All officers as of the date of promulgation of this Policy shall, within thirty (30) days thereafter, accomplish and submit to their immediate superior the Full Business Interest Disclosure Form (the “FBID Form”) as attached hereto.
- 1.1.2. All officers appointed after the date of promulgation of this Policy shall accomplish and submit the FBID Form within thirty (30) days after their appointment.
- 1.1.3. If a potential conflict of interest arises at any time after submission of the initial FBID Form, the officer concerned shall report it immediately to his immediate superior by filing an Amended FBID Form within thirty (30) days from such time as the conflict of interest arises. The officer concerned shall indicate the new or additional conflict of interest situation in the Amended FBID Form.
- 1.1.4. An officer’s failure to file the initial or amended FBID Form within the prescribed period shall be punishable in accordance with the Manual of Corporate Governance.

## 1.2. Non-Officers

1.2.1. Annually, during performance appraisal of employees, all Managers/Supervisors shall review with the employees reporting to them the Company Policy on Conflict of Interest.

1.2.2. Employees shall report any potential conflict of interest to their immediate superior by submitting an FBID Form.

## 1.3 Provisions Applicable to Officers and Non-Officers

1.3.1. The duplicate copy of the FBID Form shall be submitted to the Personnel Officer of the concerned officer or employee and will be noted in the personal file of such officer or employee.

1.3.2. If the Company has information or knowledge sufficient to form a reasonable belief that an officer or employee failed to disclose a conflict or possible conflict of interest, the immediate superior shall advise the officer or employee concerned to disclose such conflict or possible conflict of interest in an FBID Form.

## 2. Discussions with Immediate Superior

2.1. Where an FBID Form discloses any conflict or potential conflict of interest situation, the immediate superior shall discuss such matter with the officer or employee concerned.

2.2. After being informed of, and gathering all relevant facts, the immediate superior shall render a recommendation on a proposed action to resolve the matter.

## 3. Review by Next Level Superior

3.1. The immediate superior shall submit his/her recommendation to the next level superior for review and/or approval.

### *Resolution of Disclosed Conflict of Interest*

In resolving a conflict of interest situation, the facts should be considered carefully. Management and the officer or employee concerned shall both exhaust reasonable efforts to eliminate the conflict.

After the review of a conflict of possible conflict of interest, and upon consultation with the Compliance Officer, the Company may take one or a combination of the following actions:

1. decide that the conflict is not significant in terms of financial or business impact to the Company and allow the officer or employee concerned with adequate safeguards to continue his/her interest or involvement in the outside organization;
2. request that the officer or employee terminate, or refrain from acquiring, a financial or business interest in the outside organization which might benefit from the knowledge, decisions and actions of the officer or employee in the execution of Company duties and responsibilities.
3. where the conflict of interest exists in relation to a close relative of an officer or employee, require the officer or employee concerned to exert all reasonable effort to eliminate the conflict;
4. modify the duties and responsibilities of the officer or employee to minimize the conflict of interest, if not altogether eliminate the situations causing the conflict. This may entail moving the officer or employee to another position, if such is possible;
5. separate the officer or employee from the Company as the last resort if, despite all reasonable efforts, the conflict situation is not eliminated in such manner as would protect the best interests of the Company; and/or
6. such other actions as may be necessary and proper under the circumstances.

*Implementation of Corrective Action*

1. The recommendation or position of the Company with respect to a conflict of interest situation will be communicated to the officer or employee in writing by his immediate superior.
2. Such written report shall summarize the facts, state the conclusions made, and specify the actions expected of the officer or employee.
3. A copy of the report shall be given to the Compliance Officer and another copy of the report will be included in the personal file of the officer or employee concerned.
4. The immediate superior shall be responsible in ensuring the implementation of any appropriate corrective action.

*FBID Form*

Top Frontier Investment Holdings, Inc.  
FULL BUSINESS INTEREST DISCLOSURE (FBID) FORM

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**A. Business Interest**

Name and business of outside organization where you or your close relative<sup>1</sup> has interest or involvement and which, by nature, may directly or indirectly conflict with the performance of your duties as an officer or employee of the Company.

\_\_\_\_\_

<sup>1</sup> A “close relative” of an officer or employee refers to any one of the following: his/her (1) spouse, (2) father or mother, (3) son, daughter, brother or sister, and each of their respective spouses; (4) uncle, aunt, niece, nephew or first cousin, and each of their respective spouses.

**Officer or Employee**

<b>Outside Organization</b>	<b>Nature of Business</b>	<b>Potential Conflict</b>

**Close Relative**

<b>Name</b>	<b>Relationship to Officer or Employee</b>	<b>Outside Organization</b>	<b>Nature of Business</b>	<b>Potential Conflict</b>

*Please use additional sheet/s if necessary.*

[If none, please state “NONE”.]

\_\_\_\_\_  
*Officer or Employee’s Signature / Date*

**B. Resolution of Conflict of Interest**

1. Recommendation of Immediate Superior<sup>2</sup>:
2. Action of Next Level Superior:

\_\_\_\_\_  
*Signature of Immediate Superior / Date*

\_\_\_\_\_  
*Signature of Next Level Superior / Date*

Adopted on 10 November 2014.

<sup>2</sup> Note: In the case of the Chairman of the Board and the President of the Company, their Immediate Superior shall be the Executive Compensation Committee and their Next Level Superior is the Board of Directors.