



AppTech Code of Ethics and Business Conduct

INTRODUCTION

AppTech Payments Corp. is committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules, and regulations. The Directors, Officers, and employees must not only comply with applicable laws, rules, and regulations but should also strive to promote honesty in conducting business. AppTech Payments Corp. has adopted the AppTech Code of Ethics and Business Conduct for Directors, Officers, and employees in furtherance of this commitment.

This Code of conduct shall apply to all Directors, Officers, and employees. All shall observe the highest standards of ethical conduct and integrity, work to the best of their ability and judgment, and affirm compliance with this Code of conduct annually.

Every Director, Officer, and employee must:

- Represent the interests of the shareholders of AppTech Payments Corp.;
- Exhibit high standards of integrity, commitment, and independence of thought and judgment;
- Act in good faith, with due care, competence and diligence without misrepresenting material facts;
- Dedicate sufficient time, energy, and attention to ensure the diligent performance of his or her duties; and
- Comply with every provision of this Code.

CODE OF ETHICS

This Code of Ethics applies to the Directors, Officers, and all employees of AppTech Payments Corp and its affiliates.

Acting with integrity and doing the right thing are driving forces behind the Company's success. The Company requires all employees to conduct themselves and the Company's business in the most ethical manner possible. We all share the responsibility for protecting and advancing the Company's reputation, and ethics and values must continue to drive our business strategies and activities.

A conflict of interest exists when a person's private interest interferes in any way, or even appears to interfere, with the interests of the Company. A Director, Officer, or employee that discovers a conflict or potential conflict must report it and discontinue the arrangement or activity. Conflicts of interest may also arise when an individual receives improper personal benefits due to his or her position in the Company. Individuals should avoid any direct or indirect business connection with customers, suppliers, or competitors, except as required on the Company's behalf. Any Director, Officer, or employee who becomes aware of a conflict or potential conflict must report it immediately to a supervisor or Human Resources.



AppTech seeks to achieve success fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present Directors, Officers, or employees of other companies is prohibited and potentially illegal.

No gift or entertainment should ever be offered, given, requested, provided, or accepted by any Company employee, officer or director, family member of an employee, officer or director, or agent unless it (1) is not a cash gift; (2) is consistent with customary business practices; (3) is reasonable in fair market value; (4) does not have a value of \$50 or more; (5) cannot be construed as a bribe or payoff; and (6) does not violate any laws, regulations or applicable policies.

If a Director, Officer, or employee has any questions about this Code of Ethics, he or she should ask his or her supervisor or Human Resources for assistance and may report any concerns or potential violations to their supervisor or Human Resources.

COMPLIANCE WITH LAWS POLICY

First and foremost, our policy is to behave in an ethical manner and comply with all laws, rules, and government regulations that apply to our business. Although we address several important legal topics in this Code, we cannot anticipate every possible situation or cover every topic in detail. It is your responsibility to know and follow the law and conduct yourself in an ethical manner. It is also your responsibility to report any violations of the law or policies in this Handbook.

ANTITRUST LAWS

Antitrust laws are designed to ensure a fair and competitive marketplace by prohibiting various types of anticompetitive behavior. Some of the most serious antitrust offenses occur between competitors, such as agreements to fix prices or to divide customers, territories, or markets. Accordingly, it is important to avoid discussions with our competitors regarding pricing, terms, and conditions, costs, marketing plans, customers, or any other proprietary or confidential information. Foreign countries often have their own body of antitrust laws, so our international operations may also be subject to antitrust laws of other foreign countries.

ANTICORRUPTION LAWS

Conducting business with governments is not the same as conducting business with private parties. What may be considered an acceptable practice in the private business sector may be improper or illegal when dealing with government officials. Improper or illegal payments to government officials are prohibited. "Government officials" includes employees of any government anywhere in the world, even low-ranking employees or employees of government-controlled entities, as well as political parties and candidates for political office. If you deal with such persons or entities, you should consult with our legal counsel to be sure that you understand these laws before providing anything of value to a government official.

If you are involved in transactions with foreign government officials, you must comply not only with the laws of the country with which you are involved but also with the U.S. Foreign Corrupt Practices Act. This act makes it illegal to pay or promise to pay money or anything of value to any government official for the purpose of directly or indirectly obtaining or retaining business. This ban on illegal payments and bribes also applies to agents or intermediaries who use funds for purposes prohibited by the statute.

In some countries, it is permissible to pay government employees for performing certain required duties. These facilitating payments, as they are known, are small sums paid to facilitate or expedite routine, non-



discretionary government actions, such as obtaining phone service or an ordinary license. In contrast, a bribe, which is never permissible, is giving or offering to give anything of value to a government official to influence a discretionary decision. Understanding the difference between a bribe and a facilitating payment is very important. You must have approval from our legal counsel before making any payment or gift to a foreign government official.

If you have any questions regarding any of these laws, please contact Human Resources or our legal counsel.

SECURITIES LAWS AND INSIDER TRADING

AppTech is subject to a number of laws concerning the purchase and sale of our stock and other publicly traded securities. Regardless of your position with us, if you are aware of what is known as "material inside information" regarding our Company, business, affairs, or prospects, you may not disclose that information to anyone outside the Company, and you are not allowed to buy or sell our stock or other publicly-traded securities until the material inside information is known not only by other individuals within the Company but also by the general public. The improper use of material inside information is known as insider trading. Insider trading is a criminal offense and is strictly prohibited.

"Material inside information" is any information concerning us that is not available to the general public and which an investor would likely consider to be important in making a decision whether to buy, sell or hold our stock or other securities. A good rule of thumb to determine whether information about us is material inside information is whether or not the release of that information to the public would be likely to have an effect on the price of our stock. Examples of material inside information include information concerning earnings estimates, changes in previously released earnings estimates, a pending stock split, dividend changes, significant merger, acquisition or disposition proposals, major litigation, the loss or acquisition of a major contract, and major changes in our management. Material inside information is no longer deemed "inside" information once it is publicly disclosed and the market has had sufficient time to absorb the information. Examples of effective public disclosure are the filing of such inside information with the Securities and Exchange Commission, the printing of such information in The Wall Street Journal or other publications of general circulation, or the release of such information through a major news wire service, in each case giving the investing public a fair amount of time to absorb and understand our disclosures.

In addition to being prohibited from buying or selling our stock or other publicly-traded securities when you are in possession of material inside information, you are also prohibited from disclosing such information to anyone else (including friends and family members) in order to enable them to trade on the information. In addition, if you acquire material inside information about another company due to your relationship with us, you may not buy or sell that other Company's stock or other securities until such information is publicly disclosed and sufficiently disseminated into the marketplace.

The following are general guidelines to help you comply with this policy:

- Do not share material inside information with people within the Company whose jobs do not require them to have the information.
- Do not disclose any non-public information, material or otherwise, concerning the Company to anyone outside the Company unless required as part of your duties and the person receiving the information has a reason to know the information for Company business purposes.



- If you have material inside information regarding us or regarding any other publicly-traded company that you obtained from your employment or relationship with us, you must not buy or sell, or advise anyone else to buy or sell, our securities or that other Company's securities, until such information is publicly disclosed and sufficiently disseminated into the marketplace.

Penalties for trading on or communicating material inside information are severe. If you are found guilty of an insider trading violation, you can be subject to civil and even criminal liability. In addition to being illegal, we believe that insider trading is unethical and will be dealt with firmly, which may include terminating your employment with us and reporting violations to appropriate authorities.

If you have any questions concerning the securities laws or about our policies with regard to those laws, or regarding the correct ethical and legal action to take in a situation involving material inside information, please review our Insider Trading Policy or contact our legal counsel.

RELATED PERSONS TRANSACTIONS POLICY

Our executive officers and directors should report any "related-person transaction" (as defined below), or proposed related-person transaction to our legal counsel promptly after becoming aware of it. It is the responsibility of the individual executive officer and director to inform our legal counsel and obtain the requisite approval described below prior to entering into any related-person transaction.

Any proposed related-person transaction involving our Company or its affiliates and one of our executive officers must be pre-approved by the audit committee of our Board of Directors.

Any proposed related-person transaction involving our Company or its affiliates and one of our non-employee directors must be pre-approved by the audit committee of our Board of Directors.

All related-person transactions that commenced during a fiscal quarter shall be reviewed by the audit committee of our Board of Directors after the close of the quarter. If the audit committee determines that additional procedures relating to such transactions are necessary or appropriate, it may change this policy accordingly.

For purposes of this policy, a "related-person transaction" is defined by reference to Item 404 of the Securities and Exchange Commission's Regulation S-K. Generally, Item 404 requires public disclosure of any transaction since the beginning of our last fiscal year or any proposed transaction in which the Company was or will be, a participant, the amount involved exceeds \$120,000 and any "related person" (as defined below) had, or will have, a direct or indirect material interest in the transaction. "Related person" includes, generally, any (1) director or executive officer of the Company, (2) nominee for director, (3) stockholder who beneficially owns more than 5% of any class of the Company's voting securities and (4) family members of any of the persons set forth in (1) through (3) above. All related-person transactions must be publicly disclosed.

POLITICAL ACTIVITY POLICY

AppTech will fully comply with all political contribution laws. Our funds may not be used for contributions of any kind to a political party or committee or to any candidate or holder of any government position (national, state or local) unless such contribution is permitted by law and complies with the Company's policy. Please contact Human Resources or our legal counsel to determine whether a specific contribution is permitted.



It is against the Company's policy for you to lobby other employees on behalf of a political candidate during the workday. It is also against the Company's policy to reimburse an employee for any political contributions or expenditures. Outside normal office hours, you are free to participate in political campaigns on behalf of candidates or issues of your choosing, as well as make personal political contributions.

SAFEGUARDING CORPORATE ASSETS POLICY

We have a responsibility to protect company assets entrusted to us from loss, theft, misuse and waste. Company assets and funds may be used only for business purposes and may never be used for illegal purposes. Incidental personal use of telephones, fax machines, copy machines, personal computers, e-mail and similar equipment is generally allowed if it is occasional, there is no significant added cost to us, it does not interfere with your work responsibilities and is not related to an illegal activity or outside business. If you become aware of theft, waste or misuse of our assets or funds or have any questions about your proper use of them, you should speak immediately with your immediate supervisor.

It is also important that you protect the confidentiality of company information. Confidential or proprietary information includes all information that is not generally known to the public and is helpful to the Company or would be helpful to competitors. Proprietary information should be marked accordingly, kept secure, and access limited to those who have a need to know in order to do their jobs.

Our business relations are built on trust, and our customers and suppliers count on that trust. If you learn information from them that is not otherwise public, you should keep that information confidential also.

We must all be sensitive to the impact of comments made over the Internet through public forums such as chat rooms and bulletin boards. In such forums, you may not post any information about the Company, including comments about our products, stock performance, operational strategies, financial results, customers or competitors, even in response to a false statement or question. This applies whether you are at work or away from the office. Our Company owns all e-mail messages that are sent from or received through the Company's systems. We may monitor your messages and may be required to disclose them in the case of litigation or governmental inquiry.

ACCURACY OF COMPANY RECORDS POLICY

All information you record or report on our behalf, whether for our purposes or for third parties, must be done accurately and honestly. All of our records (including accounts and financial statements) must be maintained in reasonable and appropriate detail, must be kept in a timely fashion, and must appropriately reflect our transactions. Falsifying records or keeping unrecorded funds and assets is a severe offense and may result in prosecution or loss of employment. When a payment is made, it can only be used for the purpose spelled out in the supporting document.

Information derived from our records is provided to our shareholders and investors, as well as government agencies. Thus, our accounting records must conform not only to our internal control and disclosure procedures but also to generally accepted accounting principles and other laws and regulations, such as those of the Internal Revenue Service and the Securities and Exchange Commission. Our public communications and the reports we file with the Securities and Exchange Commission and other government agencies should contain information that is full, fair, accurate, timely and understandable in light of the circumstances surrounding disclosure.



Our internal and external auditing functions help ensure that our financial books, records and accounts are accurate. Therefore, you should provide our accounting department, internal auditing staff, audit committee and independent public accountants with all pertinent information that they may request. We encourage open lines of communication with our audit committee, accountants and auditors and require that all our personnel cooperate with them to the maximum extent possible. It is unlawful for you to fraudulently influence, induce, coerce, manipulate or mislead our independent public accountants for the purpose of making our financial statements misleading.

If you are unsure about the accounting treatment of a transaction, believe that a transaction has been improperly recorded or otherwise have a concern or complaint regarding an accounting matter, our internal accounting controls or an audit matter, you should confer with your immediate supervisor or our Chief Financial Officer. You may report anonymously if you wish, although we encourage you to provide a detailed message that will permit us to thoroughly investigate your concerns.

RECORD RETENTION POLICY

Our records should be retained or discarded in accordance with our record retention policies and all applicable laws and regulations. From time to time we are involved in legal proceedings that may require us to make some of our records available to third parties. Our legal counsel will assist us in releasing appropriate information to third parties and provide you (or your immediate supervisor) with specific instructions. It is a crime to alter, destroy, modify or conceal documentation or other objects that are relevant to a government investigation or otherwise obstruct, influence or impede an official proceeding. The law applies equally to all of our records, including formal reports as well as informal data such as e-mail, expense reports and internal memos. If the existence of a subpoena or a pending government investigation is known or reported to you, you should immediately contact our legal counsel and you must retain all records that may pertain to the investigation or be responsive to the subpoena.

STANDARDS OF CONDUCT POLICY

Every organization must have certain standards of conduct to guide the behavior of Directors, Officers, and employees. Although there is no possible way to identify every rule of conduct, the following is an illustrative list. The Company does not intend this list to be comprehensive or to limit the Company's right to impose discipline for any other conduct it deems inappropriate. Keep in mind that these standards of conduct apply to all Directors, Officers, and employees whenever they are on Company property and/or conducting Company business (on or off Company property). Engaging in any conduct the Company deems inappropriate may result in disciplinary action, up to and including immediate termination:

- (a) Dishonesty or falsification of Company records;
- (b) Unauthorized use or possession of property that belongs to the Company, a coworker, or the public;
- (c) Possession or control of illegal drugs, weapons, explosives, or other dangerous or unauthorized materials;
- (d) Fighting, engaging in threats of violence or violence, use of vulgar or abusive language including, but not limited to, curse words, insults, sexually explicit talk, or racial slurs, horseplay, practical jokes, or other disorderly conduct that may endanger others or damage property;



- (e) Insubordination, failure to perform assigned duties, or failure to comply with the Company's health, safety, or other lawful rules;
- (f) Gambling on premises;
- (g) Sleeping on the job;
- (h) Defacing property;
- (i) Engaging in criminal activity;
- (j) Unauthorized or careless use of the Company's materials, equipment, or property;
- (k) Unauthorized and/or excessive absenteeism or tardiness in violation of the Company's Attendance policy;
- (l) Lack of teamwork, poor communication, unsatisfactory performance, unprofessional conduct, or other conduct that is improper for the workplace, such as threatening or intimidating fellow Directors, Officers, employees or visitors;
- (m) Sexual or other illegal harassment or discrimination;
- (n) Unauthorized use or disclosure of the Company's business secrets, confidential financial data, or other similar confidential information;
- (o) Violation of the Company's Substance Use and Abuse Policy;
- (p) Violation of any lawful Company policy.

As an at-will employer, the Company may impose discipline whenever it determines it is necessary or appropriate. Discipline may take various forms, including, but not limited to, verbal counseling, written warnings, suspension, demotion, transfer, reassignment, or termination. The discipline imposed will depend on the circumstances of each case; therefore, discipline will not necessarily be imposed in any particular sequence. Moreover, the Company may discharge a Director, Officer, or employee immediately at any time the Company determines such action is appropriate.

This policy is not intended to interfere with, restrain, or prevent Director, Officer, or employee communications regarding wages, hours, or other terms and conditions of employment, to engage in a lawful strike or work stoppage, or to otherwise interfere with employees' rights under the National Labor Relations Act. The Company will not construe this policy in a way that limits such rights. Employees have the right to engage in or refrain from activities protected by the National Labor Relations Act.

OFF-DUTY CONDUCT POLICY

The Company will not take any adverse employment action against any Director, Officer, or employee for engaging in lawful conduct occurring during nonworking hours away from the Company's premises, provided that such conduct does not otherwise violate Company policies, such as the Company's Confidentiality and Proprietary Information or Conflicts of Interest policies.

However, under certain circumstances, if a Director, Officer, or employee's personal conduct begins to adversely affect either his or her performance on the job, creates a conflict of interest as defined by the Company's Conflicts of Interests policies, or affects his or her ability to carry out any one or all of his or



her job duties while at work, appropriate discipline up to and including discharge may be appropriate. The Company will not tolerate illegal off-duty conduct that adversely affects the Company's legitimate business interests or a Director, Officer, or employee's ability to perform his or her job.

This policy is not intended to interfere with, restrain, or prevent Director, Officer, or employee communications regarding wages, hours, or other terms and conditions of employment or to otherwise interfere with employees' rights under the National Labor Relations Act. Employees have the right to engage in or refrain from activities protected by the National Labor Relations Act.