

Corporate Governance: Business Code of Ethics

INDEX:

<u>Section</u>	<u>Page</u>	<u>Topic</u>
I.	2	GLOSSARY
II.	2	INTRODUCTION
III.	5	GEM'S COMMITMENT
IV.	5	MANAGEMENT'S ACCOUNTABILITY
V.	6	CONFLICT OF INTEREST
VI.	7	ACCURACY OF BOOKS, RECORDS AND PUBLIC REPORTS
VII.	8	INSIDER TRADING OF COMPANY STOCKS
VIII.	8	CONFIDENTIALITY
IX.	9	POLICY OF RECEIVING GIFTS
X.	10	COMPLIANCE WITH LAWS
XI.	11	FAIR DEALING
XII.	11	PROTECTION AND PROPER USE OF CORPORATE ASSETS
XIII.	11	COMMUNITY SUPPORT
XIV.	11	REPORTING CONCERNS AND VIOLATIONS
XV.	12	CONCLUSION
XVI		STATEMENT OF FACT, EMPLOYEE SIGNATURE
Amendments		
XVII		AMENDMENT I: INTEGRITY POLICY

I. GLOSSARY

- 1) GEM, means “company” or “General Environmental Management, Inc.” “GEM, Inc.” and its subsidiaries.
- 2) Management means “Directors,” “Executive Officers,” and “Managers” and “Supervisors.”
- 3) Employee(s) mean everyone that is employed by General Environmental Management.
- 4) We, Us, Our; means all employees, or “General Environmental Management, Inc.” and its subsidiaries.
- 5) You and Your, means employee(s), management, and anyone having interest in this Code of Ethics.
- 6) The Code means GEM’s Business Code of Ethics.

NOTE: The glossary applies to Amendment(s) the Code may implement.

II. INTRODUCTION

GEM believes that business is built on relationships of trust. This principal on healthy relationships of trust is to keep the business anchored and spurred on; without trust there is no place to go when in need of a harbor. This Code is to help you understand how GEM conducts its professional business on a daily basis. The Code is based on principles of integrity, trust and positive moral values. The Code exists to guide personnel in their daily course of business on behalf of the company; it also provides guidelines for employees to address conflicts of interest. It is important that each employee of General Environmental Management, Inc. sign the form, “Statement of Fact: GEM’s Business Code of Ethics.” You are to receive this Code and the “Statement of Fact...” annually from the company’s Chief Compliance Officer. The purpose of the statement is to make sure that all employees from every department of the company read this Code and Amendment(s) and understand its entirety. Currently, other persons or entities (such as investors, suppliers, etc.) may keep a copy of this Code for their records; however, they are not required by GEM to sign any statements.

The Code is created to safeguard the company, its employees, and management, those doing business with GEM, and all shareholders from any illegal transactions. It is part of the company's risk management policies that will help to deter employees from business transactions that can harm the company, its services and products, and/or shareholders. Therefore, this Code assures that management is dedicated to rendering professional services to its clientele and providing a professional working environment to all employees. The company's goal is to ensure that management maximizes the shareholders' value and demonstrate fairness; and that its shareholders' rights are protected. This document is not an employment contract between GEM and any of its employees, officers or directors and does not alter the company's at-will employment policy. GEM reserves the right to amend, alter or terminate this Code at any time for any reason. The most current version of this Code can be found on the company website: www.go-gem.com under the Investor Relations section.

For our investors, the presence of this Code shall serve as an intermediate factor for detecting and resolving breaches within the company. This Code is one of management's evidence that the company is committed to ethical practices. This Code shall be posted on the company's website and/or in the annual corporate governance reports and/or annual reports to shareholders.

Waivers of Code

While some of the policies contained in this Code must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be possible. Any employee or officer who believes that an exception to any of these policies is appropriate in his or her case should first contact his or her immediate supervisor. If the supervisor agrees that an exception is appropriate, the approval of the Chief Compliance Officer of GEM must be obtained. Mr. Clyde Rhodes shall be responsible for maintaining a complete record of all requests for exceptions to any of these policies and the disposition of such requests.

Any executive officer, senior financial officer or director who seeks an exception to any of these policies should contact Mr. Clyde Rhodes or Mr. Tim Koziol. Any waiver of this Code for executive officers or directors or any change to this Code that applies to executive officers or directors may be made only to the Board of Directors of GEM and will be disclosed as required by law or stock market regulation.

Below are values that should be embedded in the intellectual minds of management, employees, and others that are interested in the company, GEM core values are:

Growth

- If you learn – you will grow
- If you grow – you will change your world
- When you grow – we all benefit

Execute with Excellence

- Block and Tackle Flawlessly

Integrity

- Who you are is who you are when no one is looking
- Make commitments you can keep and then keep your commitments

Everyone's Job is:

- Sales
- Compliance

Relationships

- Business is built on relationships of trust
- Healthy relationships keep you anchored and spur you on
- Safe place when you need a harbor
- Built by giving

Aspire

- It's not how good you are, it's how good you want to be!
- Always strive for a better way, a new and innovative way

Leadership

- If it needs to be done – you should do it
- Responsibility comes before authority

- Leadership comes from who you are – not your title or position

III. GEM'S COMMITMENT

The company's commitment entails complying with all federal, state, and local laws. Specifically, to perform the highest standards of professional integrity daily and to maintain and retain relationships of trust with anyone interested in GEM. Therefore, the highest standards of ethics provide all persons and entities interested in GEM the professional courtesy of honesty with fair business practices.

IV. MANAGEMENT'S ACCOUNTABILITY

It is the responsibility of the Board of Directors, Officers and GEM's Management to oversee that this Code of Ethics is enforced and be able to facilitate the Code. Those that are leaders have the responsibility to be committed with the utmost standards of integrity through their words and actions. Therefore, GEM Directors, Officers, Managers, and Supervisors must:

- Maintain an environment of open communication in which honesty and integrity are incorporated; where the provisions of the Code, related company policies, and instructions are shared and discussed.
- Take reasonable actions to ensure that unethical conducts within the areas of responsibility are detected, addressed, and resolved in a timely manner.
- To insist that additional information and continued education and training are critical to the company's line of business and to its employees.
- Ensure that any and all information is necessary in meeting disclosure and reporting obligations of the company is accurately and completely compiled and properly shared with the proper authorities and parties.
- Take precautionary methods in ensuring that the right candidate holds the company's commitment of integrity and honesty before placing that person in a position of leadership.
- To act in good faith with due care and diligence, avoiding misrepresentations – intentional or unintentional.
- To handle all matters legal or non-legal concerning the company discretely and make every effort to maintain confidentiality of all company and employee records.

Because GEM is adamant about proper ethical behavior, those that do not comply with this Code and other GEM policies and procedures will be disciplined, up to and including termination or removal. There are no exceptions to this rule. Criminal prosecution may occur if any federal, state, or local laws have been broken.

V. CONFLICT OF INTEREST

A conflict of interest arises when an employee's personal interests come in conflict with their responsibilities to GEM. The company's policy regarding conflicts of interest is simple: Employees may never let business dealings on behalf of GEM be influenced or apparent to be influenced by personal or family interests and relationships. Below are policies to be taken into consideration when receiving gifts:

- Employees, including Officers, Managers and Directors may not use corporate property, information, or position for personal gain.
- Employees must never compete with GEM and never enter into unauthorized business relationships with competitors.
- Employees, officers and directors should advance GEM's legitimate interests when the opportunity to do so arises.

For example:

No employee, officer or director shall perform services as a consultant, employee, officer, director, advisor or in any other capacity for, or have a financial interest in, a competitor of the Company, other than services performed at the request of the Company and other than a financial interest representing less than one percent (1%) of the outstanding shares of a publicly-held company; and

No employee, officer or director shall use his or her position with the Company to influence a transaction with a supplier or customer in which such person has any personal interest, other than a financial interest representing less than one percent (1%) of the outstanding shares of a publicly-held company.

It is your responsibility to disclose any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest to Mr. Clyde Rhodes, the Chief Compliance Officer of GEM, or if you are an executive officer or director, to the Board of Directors, who shall be responsible for determining whether such transaction or relationship constitutes a conflict of interest.

In order to determine if there is a conflict of interest, take into consideration the following questions:

- What is the nature of the relationship with GEM and the other company?
- How significant is the part that competes or supplies GEM?
- Given the nature of my position with GEM, could my actions as an employee affect the value of my investment in the other company? Could it significantly enhance my investment, even if it is modest?
- What is the size of investment in relation to my salary and other family income, including income from other investments? Is it significant enough to cause me to take some action as an employee of GEM to protect or enhance my investment?

Remember that a financial interest is improper if your job, the amount of your investment, or the particular company in which you invested could—when viewed objectively by another person—influence your actions as a GEM employee. Acting indirectly through another person does not release you from non-compliance of your profession’s guidelines/ethics nor this Code and applied regulatory laws.

VI. ACCURACY OF BOOKS AND RECORDS AND PUBLIC REPORTS

GEM accounting and financial employees must conduct themselves in compliance with all ethical and regulatory laws that govern their profession. Because of the sensitivity of information and nature of business in the Finance or Accounting Department, each member of the finance and accounting department must sign a form stating that the Code has been read and understood. It is very important that the company’s accounting, financial, and other systems provide accurate and timely reporting of transactions involving GEM assets. No undisclosed or unrecorded account of fund shall be established for any purpose. No disbursement of corporate funds or other corporate property shall be made without adequate supporting documentation. Therefore, every accounting or financial record and supporting data, must accurately describe the assets and transactions without omitting, concealing, or falsifying any information; all records must comply with regulations set by the Financial Accounting Standards Board: Generally Accepted Accounting Principles (GAAP) and other governmental laws.

GEM will apply standards of full, fair, accurate, timely, and understandable disclosure in reports and documents that are filed with or submitted to the Securities and Exchange Commission and other government agencies.

Employees with concerns regarding questionable account or auditing matters or complaints regarding accounting, internal accounting controls or auditing matters may confidentially, and anonymously if they wish, submit such concerns or complaints in writing to the Chief Compliance Officer of the

company. For procedures see section: XIV - REPORTING CONCERNS OR VIOLATIONS.

VII. INSIDER INFORMATION & TRADING OF COMPANY STOCK

During your employment with GEM, you may be aware of information about the company or other companies GEM conducts business with that have not yet stated they are a public company. The use of any nonpublic or “insider” information about GEM or another company for your financial or other benefit not only is unethical, but also may be a violation of law. U.S. law makes it unlawful for any person who has pertinent nonpublic information about a company to trade the stock or other securities of the company or to disclose such information to others who may trade. Violation of U.S. laws may result in civil and criminal penalties, fines and jail sentences. GEM will not tolerate any illegal and improper use of “insider” information. Information in this context includes any data/information from any department within the company or companies GEM conducts business with.

If you are uncertain about the constraints on your purchase or sale of any company securities or the securities of any other company that you are familiar with by virtue of your relationship with GEM, you should consult with Mr. Clyde Rhodes, the Chief Compliance Officer of GEM, before making any such purchase or sale.

VIII. CONFIDENTIALITY

In addition, employees, officers and directors must maintain the confidentiality of confidential information entrusted to them by GEM or other companies, including suppliers and customers, except when disclosure is authorized by a supervisor or legally mandated. Unauthorized disclosure of any confidential information is prohibited. Additionally, employees should take appropriate precautions to ensure that confidential or sensitive business information, whether it is proprietary to GEM or another company, is not communicated within GEM except to employees who have a need to know such information to perform their responsibilities for GEM. You should also review the relevant provisions of company policy on the trading of securities and public disclosures. In the event you have executed a confidentiality agreement with GEM, such agreement imposes specific obligations and restrictions on you and such obligations shall govern to the extent they are, in any way, contrary to the terms of this Business Code of Ethics.

Third parties may ask you for information concerning GEM. Employees, officers and directors (other than GEM authorized spokespersons) must not

discuss internal matters with or disseminate internal information to, anyone outside the company, except as required in the performance of their duties and after an appropriate confidentiality agreement is in place. This prohibition applies particularly to inquiries concerning GEM from the media, market professionals (such as securities analysts, institutional investors, investment advisers, brokers and dealers) and security holders. All responses to inquiries on behalf of the GEM must be made only by authorized spokespersons. If you receive any inquiries of this nature, you must decline to comment and refer the inquirer to your supervisor or one of the GEM's authorized spokespersons.

IX. POLICY OF GIFTS

The use of company funds or assets for gifts, gratuities or other favors to employees or government officials is prohibited, except to the extent such gifts are in compliance with applicable law, nominal in amount and not given in consideration or expectation of any action by the recipient.

Employees, officers and directors must not accept, or permit any member of his or his immediate family to accept, any gifts, gratuities or other favors from any customer, supplier or other person doing or seeking to do business with GEM, other than items of nominal value. Any gifts that are not of nominal value should be returned immediately and reported to your supervisor. If immediate return is not practical, they should be given to GEM for charitable disposition or such other disposition as the company believes appropriate in its sole discretion.

Common sense and moderation should prevail in business entertainment to or from anyone doing business with the company only if the entertainment is infrequent, modest and intended to serve legitimate business goals.

Bribes and kickbacks are criminal acts, strictly prohibited by law. You must not offer, give, solicit or receive any form of bribe or kickback anywhere in the world.

Gifts come in various forms. They can have monetary or non-monetary value; they can be tangible or non-tangible (i.e. marketing novelties, services, entertainment, etc.). In order to accept or give customary business gifts and/or amenities, you must request authorization from GEM management first. The monetary value on accepting or receiving gifts must not exceed \$200.00 U.S. dollars per gift, and a maximum limit of \$400.00 U.S. dollars per calendar month – such as meals and entertainment. The gifts must not break any laws or known customary business practices.

No employee or family member may solicit or accept from a supplier or customer money or a gift that could influence or could reasonably give the

appearance of influencing GEM's business relationship with that supplier or customer.

You may accept gifts that are also offered to others having a similar relationship with the customer or supplier. If there are any doubts, communicate with management. If you are offered gifts that exceed company policies, report it to management immediately. GEM will take the necessary actions to return what has been received and the supplier or customer will be reminded of GEM gift policy.

When given management's authorization, you may refer customers to third party vendors; however, employees are restricted from accepting any fee, commission or other compensation for referrals.

X. COMPLIANCE WITH LAWS

Each one of us is to comply with all federal, state, and local laws and regulations governing our business. The best approach to complying with laws and regulations that govern our business is to adhere to this Code and any professional codes that employees must adhere to regarding their position. It is the employees' responsibility to practice ethical behavior at all times while on duty. You are to use good judgment and common sense in seeking to comply with all applicable laws, rules and regulations and to ask for advice when you are uncertain about them.

If you become aware of the violation of any law, rule or regulation by GEM, whether by its officers, employees or directors, it is your responsibility to promptly report the matter to your supervisor or Mr. Clyde Rhodes, the Chief Compliance Officer of the company. While it is the Company's desire to address matters internally, nothing in this Code should discourage you from reporting any illegal activity, including any violation of the securities laws, antitrust laws, and environmental laws or any other federal, state or foreign law, rule or regulation, to the appropriate regulatory authority. Employees, officers and directors shall not discharge, demote, suspend, threaten, harass or in any other manner discriminate against an employee because he or she in good faith reports any such violation. This Code should not be construed to prohibit you from testifying, participating or otherwise assisting in any state or federal administrative, judicial or legislative proceeding or investigation.

Everyone employed by GEM must honestly and accurately report all business transactions. You are responsible for the accuracy of your records and reports. Accurate information is essential to the company's ability to meet legal and regulatory obligations.

XI. FAIR DEALING

Employees of GEM are to practice honesty and integrity when conducting business with suppliers and customers. GEM's mission to have environmental compliance make a positive contribution starts in fair dealings with our customers. GEM exists to help customers make informed compliance choices; in return, the company receives trust from its customers. This trust helps the company conduct honest business transactions on a daily basis.

Employees, officers and directors should endeavor to deal honestly, ethically and fairly with GEM's suppliers, customers, competitors and employees. Statements regarding GEM's products and services must not be untrue, misleading, deceptive, or fraudulent. You must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

XII. PROTECTION AND PROPER USE OF CORPORATE ASSETS

Employees, officers, and directors should seek to protect company assets. Theft, carelessness and waste have a direct impact on the company's financial performance. Employees, officers and directors must use the company's assets and services solely for legitimate business purposes of GEM and not for any personal benefit or the personal benefit of anyone else.

Employees, officers, and directors must advance GEM's legitimate interests when the opportunity to do so arises. You must not take for yourself personal opportunities that are discovered through your position with GEM or the use of property or information of the company.

XIII. COMMUNITY SUPPORT

The nature of GEM's business in environmental management helps to provide cleaner communities. Therefore, the company supports employees volunteering their time to be a part of their local community. Management encourages all employees to continue to pursue their endeavors of charity to help those in need.

XIV. REPORTING CONCERNS OR VIOLATIONS

Where does the employee stand if he/she has witnessed a violation of law, regulation, or this Code? Sometimes, in a course of business, it is hard for employees to approach management and communicate a concern that is unethical without fear of losing their job, position, and/or retaliation. Because

of this, GEM has taken the necessary approach to provide all employees with an Integrity Policy. This policy shall be distributed along with this Code as an Amendment. The policy promotes steps that need to be taken to address and correct (if necessary) the employee's concern of reporting violations. Please read the policy in its entirety, it will help you understand how employees are to approach sensitive issues, such as: violations of the law, regulations, and/or this Code.

XV. CONCLUSION

Because ethical behavior is difficult to pinpoint; it must start as an individual responsibility; therefore, this Code stands as an outline for GEM and its employees. Each person that is employed by GEM has the task of implementing integrity, and loyalty. These characteristics of business and moral ethics will help you become a quality component of GEM in all its aspirations and endeavors.