



■ CONFLICTS of INTEREST Policy ■

I. PURPOSE

The purpose of this conflict of interest policy (the Policy) is to set forth principles that govern private transactions between Petrogress, Inc. (the Corporation) and any director officer, employee or agent of the Corporation (Covered Persons). The Board of Director (the Board) shall rely on and use the principles in this Policy to determine whether or not a conflict exists and to avoid potential conflicts.

II. CONFLICT OF INTEREST

In concept, a conflict arises when a Covered Person, directly or indirectly, receives or seeks a personal benefit primarily from an act or decision that the Covered Person performs or makes that is within the scope of the authority or power that the Covered Person exercises because of the capacity or position that the Covered Person has or occupies.

A. Actual or Perceived

1. Actual. An actual conflict exists when, as a matter of fact, an item of value vests in or accrues to the benefit of the Covered Person in exchange for or as the result of an act or decision of the Covered Person performed or made. An item of value includes but is not limited to an increase in the wealth of the Covered Person or an enhancement of his or her social standing or reputation.
2. A perceived conflict exists when a Covered Person may but does not, as a matter of fact, realize the increases or enhancements set forth in Paragraph 1 in exchange for or as the result of an act or decision that the Covered Person performs or makes.
3. Loss or Injury to the Corporation. An actual or perceived conflict exists when the Covered Person realizes an item of value and the act or decision causes or may cause a loss or injury to the Corporation.
4. Covered Person. A Covered Person includes but is not limited to a person with whom the Covered Person has a family, business or social relationship.

III. PROCEDURE

1. Duties of Covered Person. The Covered Person must disclose the terms and facts by he or she does or may realize an item of value to the Board of Directors.
2. Determining Conflict Exists. The Board shall determine if a conflict does or may exist. The Covered Person shall not be present, either physically or by electronic means, or participate in any way in the deliberations of the Board.

3. Procedure. The Chairperson shall convene a special meeting during which only the conflict is deliberated and follow this procedure:
 - A. Search for and obtain all relevant facts including but not limited to questioning the Covered Person and reviewing relevant documentation in the possession of the Covered Person or to which the Covered Person has access,
 - B. If the Covered Person asserts the protection of any statute or common law under to which he or she is entitled, the Board may infer that the conduct or information that is the subject of the protection supports the existence of a conflict.
 - C. The Board shall make the determination according to the voting procedure in the By-Laws.
 - D. The Board shall create and maintain a record of the deliberations that includes but is not limited to the individual votes of the directors.
 - E. If the Chairperson so decides, the Board shall issue a report for the purpose of informing other Covered Persons as to the events that the Board determines to be or not be a conflict.

5. Consequences. If the Board determines that a conflict exists, the Chairperson shall determine the type of disciplinary action to be imposed on the Covered Person or the corrective action that the Covered Person must undertake.

IV. APPLICATION OF OTHER LAWS

1. Fiduciary Duties. This Policy does not nor is intended to limit or restrict any fiduciary duty to which the Covered Person is subject under any statute, equitable theory or common law.
2. Incorporation by Reference. This Policy is incorporated into and made part of any contract between the Covered Person and the Corporation, the Employment Manual of the Corporation and any corporate document.
3. Inconsistencies. If a principle in this Policy is or may be inconsistent with any contract, manual or corporate document described in Paragraph 2 and the effect of the inconsistency does or may reduce or limit the obligation of a Covered Person or the Board under this Policy, the principles of this Policy shall control.

ON THIS 1 day of January, 2018, the Board of Directors adopts this Policy as an official act of the Corporation.

Signed by Chairperson