

CODE OF BUSINESS CONDUCT AND ETHICS

OF

POWER OF THE DREAM VENTURES, INC.

Introduction

This Code of Business Conduct and Ethics (the “Code”) of Power of the Dream Ventures, Inc. (“PWRV” or the “Company”) has been adopted by the Board of Directors to express the expected standards of business conduct and principles of ethical behavior that support a core value of the Company – personal and corporate integrity. All employees, officers and directors of the Company (collectively, “we”, “us”, or “our”) are expected to be familiar with the Code and are required to comply with its provisions. The integrity and reputation of Power of the Dream depend on our collective and individual honesty, fairness, and integrity. Each of us is responsible for applying common sense and high personal ethical standards in making business decisions where there is no stated guideline in this Code or any other PWRV policy. This Code addresses conduct that is particularly important to proper dealings with third parties in the marketplace, our Company, and our stockholders, and is intended to supplement and be read in conjunction with all other policies of PWRV. If a law conflicts with a policy in this Code, you must comply with the law; however, if a local custom or policy conflicts with this Code, you must comply with the Code. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation.

This Code describes guidelines and available compliance resources. In addition, each of us is encouraged to ask questions about conduct that may violate this Code, to voice concerns, or to clarify any terms of this Code. Each of us should be alert for potential violations of this Code by others and should report suspected violations without fear of retaliation. Anyone who violates this Code may be subject to disciplinary action, up to and including termination of employment and, in appropriate cases, civil action or referral for criminal prosecution.

If you are in a situation which you believe may violate or lead to a violation of this Code, follow the guidelines described in Section XII and Section XIII of this Code.

I. Compliance with Laws, Rules and Regulations

Numerous laws and regulations apply to PWRV and impact the way it sells its products, provides services and communicates with stockholders, regulatory bodies, and the public. Some of these laws and regulations are listed below. All employees, officers and directors are required to comply with all laws, regulations and professional standards that apply to your work for PWRV. Although not all employees, officers and directors are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel.

U.S. Securities Disclosure Laws

The securities laws have very strict and precise rules about the disclosure of company information that has not otherwise been made public. To ensure that PWRV complies with these provisions, you should refer all calls or other contact with analysts, brokers, dealers, investment advisors, investment companies, shareholders or the media to PWRV’s investor relations or public relations departments, or to the appropriate member of the management team.

Foreign Corrupt Practices Act (FCPA)

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of governments or political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.

In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar rules. PWRV's Legal Counsel can provide guidance to you in this area.

Each of us is responsible for acquiring the appropriate knowledge of the requirements relating to our duties to enable us to recognize potential dangers and to know when to seek advice regarding legal compliance issues. No illegal or unethical act is justified by claiming that a superior ordered it or that we did not know that the act was improper.

Antitrust Compliance

Agreements with competitors to fix bids or prices or to refrain from competing with each other are among the actions prohibited under the antitrust laws. Employees, officers and directors should not discuss the pricing of PWRV's products and services with competitors or the terms under which PWRV may bid for a prospective customer's business. PWRV's Legal Counsel can provide guidance to you in this area.

Insider Trading

Employees, officers and directors may be exposed to sensitive information about PWRV's financial performance or strategic plans before that information becomes public ("Inside Information"). Employees, officers and directors who have access to Inside Information are not permitted to use, or share that information for stock trading purposes or for any other purpose except the conduct of our business. All Inside Information about PWRV should be considered confidential information and cannot be disclosed to anyone before the information becomes public. To use Inside Information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information is not only unethical but also illegal. If you have any questions about the use of material Inside Information, please consult PWRV's Legal Counsel.

II. Conflicts of Interest

The Code is devoted to the best interests of PWRV. Any transaction that creates a conflict between our personal interests and the interests of PWRV is prohibited, unless it has been specifically authorized pursuant to PWRV's policies and procedures. Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided.

It is not possible to specify every action that might create a conflict of interest. However, the following are examples of situations that often involve a conflict of interest:

- An employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively.

- An employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in PWRV.
- Loans to, or guarantees of obligations of, employees and their family members may create conflicts of interest.
- An employee, officer or director serves as an officer or director of a competitor of PWRV, or engages in any activity that is intended to, or would reasonably be expected to, advance a competitor's interest to PWRV's detriment.
- An employee or officer conducts business for another enterprise during PWRV's normal working hours or using PWRV's property to conduct business for another enterprise.
- An employee or officer owns a financial interest in, or serves in a business capacity with, an enterprise that does business with or is in competition with PWRV.

Conflicts of interest are prohibited as a matter of the Code, except under guidelines approved by the Board of Directors. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management or PWRV's Legal Counsel. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section XII and Section XIII of this Code.

III. Corporate Opportunities

Employees, officers and directors are prohibited from taking for themselves personally opportunities that are discovered through the use of Company property, information or position without the consent of the Board of Directors. No employee, officer or director may use Company property, information, or position for improper personal gain, and no employee may compete with PWRV directly or indirectly. Employees, officers and directors owe a duty to PWRV to advance its legitimate interests when the opportunity to do so arises.

IV. Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. Each employee, officer and director should endeavor to respect the rights of and deal fairly with PWRV's customers, suppliers, competitors and employees. No employee, officer or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practice.

To maintain PWRV's valuable reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services be designed and manufactured to meet our obligations to customers. All inspection and testing documents must be handled in accordance with all applicable regulations.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered, given, provided or accepted by any Company employee, officer, director, family member of an employee or agent unless it: (1) is not a

cash gift, (2) is consistent with customary business practices, (3) is not excessive in value, (4) cannot be construed as a bribe or payoff and (5) does not violate any laws or regulations. Please discuss with your supervisor any gifts or proposed gifts which you are not certain are appropriate.

V. Discrimination and Harassment

The diversity of PWRV's employees is a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcomed sexual advances.

VI. Health and Safety

PWRV strives to provide each employee with a safe and healthful work environment. Each employee has a responsibility for maintaining a safe and healthy workplace for all of us by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs in the workplace will not be tolerated.

VII. Complete, Accurate and Timely Disclosure

PWRV's Common Stock is owned by the public and its shares are listed on OTCBB. As a result, PWRV is obligated to make various public disclosures. Our policy is to provide full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission ("SEC") or that are otherwise publicly disclosed or communicated. PWRV requires honest and accurate recording and reporting of information in order to make responsible business decisions.

All of PWRV's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect PWRV's transactions and must conform both to applicable legal and other regulatory requirements and with PWRV's policies and procedures. We must also comply with our system of internal controls for financial reporting. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation.

Business records and communications often become public and are relied upon to produce reports for management, stockholders, creditors, and governmental authorities, including reports that we file with the SEC, and other public statements. These reports and statements must provide full, fair, accurate, timely, and understandable disclosure and fairly present our financial condition and results of operations. Therefore, we should strive to ensure that our financial disclosure is accurate and complete and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, internal memos, and formal reports. PWRV requires the following for those involved in the preparation and review of these reports and statements:

- We will not take or authorize any action that would cause our financial disclosures to fail to comply with generally accepted accounting principles or the rules and regulations of the SEC or other applicable laws, rules or regulations;

- We will comply with our disclosure controls and procedures and take any other necessary steps to ensure that information that may be required to be disclosed by PWRV under applicable securities laws is communicated, reviewed, discussed, and evaluated in a timely manner;
- We will cooperate fully with our independent auditors and Board of Directors in their review of our financial statements and disclosure documents, and will not interfere with their responsibility for the appointment, compensation, and oversight of the work of our independent auditors;
- We will cooperate fully with our Accounting and Legal Counsel, respond to their questions with candor, and provide them with complete and accurate information to assist in ensuring that our business records and financial statements, as well as our reports filed with the SEC and other public statements, are accurate and complete; and
- We will not knowingly make (or cause or encourage any other person to make) any false or misleading statement in any of our reports filed with the SEC or knowingly omit (or cause or encourage any other person to omit) any information necessary to make the disclosure in any of our reports accurate in all material respects.

Anyone who becomes aware of any violation of this policy must immediately contact PWRV's Legal Counsel.

VIII. Confidential and Proprietary Information

Employees, officers and directors must maintain the confidentiality of confidential information entrusted to them by PWRV or its customers, except when disclosure is authorized by the General Counsel or required by laws or regulations, even after our employment or other association with the Company ends. Confidential information includes all non-public information that might be of use to competitors, or harmful to PWRV or its customers, if disclosed. Confidential information may include technical information, product description, source codes, product development ideas and inventions, financial information, business plans or projections, marketing information, customer lists, pricing strategies, customer information, personnel data, and any other information pertaining to the past, present, or future business operations or financial condition of PWRV. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends.

IX. Protection and Proper Use of Company Assets

All employees should endeavor to protect PWRV's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on PWRV's financial condition. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should not be used for non-Company business, though incidental personal use may be permitted. Our assets include not only tangible property, such as computer equipment, telecommunications and other electronic communications equipment, furniture, supplies, and cash, but also intangible property, such as software, trademarks, copyrights, patents, and other proprietary information and know-how. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties. The Company retains the right to access, review, monitor, and disclose any information transmitted, received, or stored using PWRV's assets, with or without our, or any third party's, knowledge or consent.

X. Waivers of the Code of Business Conduct and Ethics

Any waiver of this Code for executive officers or directors may be made only by the Board and will be promptly disclosed as required by law or stock exchange regulation.

XI. Reporting any Illegal or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is the policy of PWRV not to allow retaliation for reports of misconduct by others made in good faith by employees. Employees are expected to cooperate in internal investigations of misconduct.

XII. Compliance and Discipline Procedures

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. Each of us is encouraged to ask questions about conduct that may violate this Code, to voice concerns, or to clarify any terms of this Code. In the event you suspect violations of this Code or have questions, the following is the process to follow:

- Know our policies and the law. We are expected to know and understand this Code, the other policies of PWRV, and the laws that apply to our specific position and level of responsibility. Please take the time to become familiar with these important requirements.
- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself. What specifically am I being asked to do? Does it seem unethical or improper? This will enable me to focus on the specific question I am faced with, and the alternatives I have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.
- Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor or where you do not feel comfortable approaching your supervisor with your question, discuss it locally with your office manager or your Human Resources manager.
- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. PWRV does not permit retaliation of any kind against employees for good faith reports of ethical violations. Any communication or complaints by the Company or its employees regarding questionable accounting or auditing matters may be submitted confidentially and anonymously to the Chairman of the Board, Power of the Dream ventures, Inc., 1095 Budapest, Soroksari ut 94-96, Hungary
- Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

XIII. Compliance Resources

You are encouraged to discuss any potential or actual violation, or any other matter relating to this Code, with the following compliance resources:

- PWRV Management: For most of us, our most immediate resource is our manager or direct supervisor. He or she may have the information you need, or may be able to refer the question to another appropriate resource. There may, however, be times when you prefer not to go to your manager or direct supervisor. In these instances, please feel free to discuss your concerns with our other resources described below.
- PWRV Legal Counsel: Our Legal Counsel is another key resource for any compliance matter relating to this Code. In addition, as specified in this Code, several of our policies require immediate consultation with our Legal Counsel. You may contact Joseph Lucosky, Partner, Lucosky Brookman LLP at 212-332-8160 (jlucosky@lucbro.com).

Failure to comply with the standards explained in this Code will result in disciplinary action, up to and including termination of employment and, in appropriate cases, civil action or referral for criminal prosecution.