

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

United Capital Corp. and its subsidiaries (the “Company”) seek at all times to conduct its business in accordance with the highest standards of honest and ethical conduct and in compliance with applicable laws, rules and regulations.

This Code of Business Conduct and Ethics (the “Code”) governs the business decisions made and actions taken by the Company’s directors, officers and employees and is an expression of the Company’s fundamental and core values, which include: (i) integrity and honesty in the Company’s and its employees’ dealings with customers, suppliers, co-ventures, competitors, shareholders and the community; (ii) respect for individuality and personal experience and background; and (iii) support of the communities where the Company and its employees work.

While covering a wide range of business practices and procedures, these standards cannot and do not cover every issue that may arise, or every situation where ethical decisions must be made, but rather sets forth key guiding principles that represent Company policy and establishes conditions for employment at our Company. This Code is meant to be read in conjunction with our other Company policies and does not supercede, change or alter any existing Company policy.

The integrity, reputation and profitability of the Company ultimately depends upon the individual actions of the Company’s employees, officers and directors. As a result, each such individual is personally responsible and accountable for compliance with this Code. All references in the Code to “employees” should be understood to include all employees, officers and directors of the Company including its subsidiaries (which include among others, Metal Textiles Corporation and AFP Transformers Corporation), unless the context requires otherwise. The terms “United Capital,” the “Company,” “we” and “our” refers to United Capital Corp. and its subsidiaries.

Compliance with Laws

The Company is strongly committed to conducting its business affairs with honesty, integrity and in full compliance with all applicable laws. No employee is authorized to commit an illegal or unethical act, or to instruct others to do so, for any reason.

It is also important to develop a working knowledge of the laws and regulations that affect your job. If a law conflicts with a particular action or policy prescribed by this Code, you must comply with the law; if a local custom, industry practice or previous company policy conflicts with this Code, you must comply with the Code. Do not hesitate to ask your supervisor for advice before making any decision about which you are uncertain.

Conflict of Interest

The Company recognizes and respects the right of its employees to engage in outside activities which they may deem proper and desirable, provided that employees fulfill their obligations to act in the best interests of the Company and to avoid situations that present a potential or actual conflict between their interests and the Company’s interest.

General

A “conflict of interest” occurs when a person’s private interest interferes, or even appears to interfere, in any way with the interests of the Company. Conflicts of interest may arise when an employee takes an

action or has an outside interest, responsibility or obligation that may make it difficult for him or her to perform the responsibilities of his or her position objectively and/or effectively in the best interest of the Company. Conflicts of interest may also occur when an employee or a member of his or her family receives some improper personal benefit as a result of his or her position in the Company. Each individual's situation is different and in evaluating his or her own situation, an employee will have to consider many factors.

Fair Dealing

Each employee should treat the Company's customers, suppliers, competitors and employees fairly. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice. In deciding among competing suppliers, weigh all material facts impartially. Seek to buy from qualified suppliers' at the lowest permissible cost, keeping in mind the requirements for quality, performance and vendors' ability to meet delivery schedules.

Outside Activities

The Company expects its employees to devote their full energies to their work. Company policy forbids employees to serve as directors, officers, partners, employees, consultants, agents or representatives of business concerns organized for profit (other than those affiliated with the company) without specific approval from the Company. The purpose of this prohibition is to avoid outside employment or activities that would impair employees' job performance, either because of excessive demands on their time, or because the outside commitments can be contrary to their obligations to the Company.

Gifts and Entertainment

Each employee must avoid receipt of gifts, benefits, favors and entertainment which might conflict with the proper performance of his or her corporate responsibilities or which might adversely affect his or her independent judgment on behalf of the Company or any of its subsidiaries. The Company discourages the receipt of gifts either directly or indirectly by employees as any gift may be misconstrued as an attempt to influence business decisions.

Gifts of insubstantial value are permitted, provided they are given as a gesture of professional friendship and do not involve a Company commitment to transact business. Employees should never accept a gift in cash or cash equivalent. If a gift, benefit or favor is more than a token gift of insubstantial value and is offered in return for or in expectation of corporate business, it should not be accepted. In no event should a gift be accepted from a supplier or potential supplier during, or in connection with, contract negotiations. In regard to acceptance of business entertainment, it is recognized that entertainment or an occasional meal may be incidental to business relationships of value to the Company; however, such hospitality should not be excessive or unusual in nature and the individual should be satisfied that such hospitality is consistent with the best interests of the Company and with the terms and spirit of this Code.

Disclosure

If there are any questions as to whether or not a specific act or situation represents, or appears to represent, a conflict of interest, an employee should consult the Chief Financial Officer of United Capital Corp. or the Compliance Officer. Any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest should be reported promptly to the Chief Financial Officer or the Compliance Officer, who shall notify the Board as deemed appropriate.

The Chief Financial Officer is Anthony Miceli and can be reached at tm@unitedcapitalcorp.net, 9 Park Place, Great Neck, New York 11021 or 516-466-6464. The Corporate Compliance Officer is Thomas Fleming, a member of the law firm of Olshan Grundman Frome Rosenzweig & Wolosky LLP who may be reached at 65 East 55th Street, New York, New York 10022 or phone at 212-451-2300.

Insider Information

Employees are prohibited from trading in our Company stock when they have material information that is not publicly known. All non-public information about the Company should be considered confidential proprietary information and should never be used for personal gain. "Material information" is any information which could reasonably be expected to affect the price of a stock and would be considered important by investors in deciding whether to buy, sell or hold that stock. Inside information typically includes, but is not limited to, knowledge of pending Company business transactions, corporate finance activities, mergers or acquisitions, unannounced earnings and financial results and other significant developments affecting the Company or any of its' subsidiaries. In addition, employees can be legally liable if someone outside the Company trades in Company stock based on a "tip" of inside information given by an employee.

Confidential Proprietary Information

Confidential proprietary information generated and gathered in the Company's business is a valuable Company asset. Protecting this information plays a vital role in our continued growth and ability to compete and all proprietary information should be maintained in strict confidence, except when disclosure is authorized by the company or legally required. Proprietary information includes all non-public information that might be useful to competitors or which could be harmful to the Company or its customers if disclosed and includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, research and new product plans, objectives and strategies, records, databases, salary and benefits data, employee medical information, customer, employee and suppliers lists, and any unpublished financial or pricing information. Unauthorized use or distribution of proprietary information violates Company policy and could result in disciplinary actions. It could also be illegal and result in civil or even criminal penalties.

All intellectual property conceived or developed during the course of employment shall be the sole property of the Company. The term intellectual property includes any trade secret, invention, discovery, concept, idea or writing whether protectable or not by any United States or foreign copyright, trademark, patent or common law including, but not limited to designs, materials, compositions of matter, machines, processes, improvements, data, computer software, writings, formula, techniques, know-how, methods, as well as improvements thereof or know-how related thereto concerning any past, present or prospective activities of the Company. Employees must promptly disclose in writing to the Company any intellectual property developed or conceived either solely or with others during the course of their employment and must render any and all aid and assistance, at our expense to secure the appropriate patent, copyright or trademark protection for such intellectual property.

An employee's obligation to protect our Company's proprietary and confidential information continues even after the employee leaves the Company. Employees leaving the Company must return all proprietary information in their possession.

This does not supersede, change or alter any provisions of any confidential information and non-competition agreement signed as a condition of employment.

Information Reporting and Record Management

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. The Company's senior financial officers and other employees working in the Accounting and Finance Departments have a special responsibility to ensure that all of our financial disclosures are full, fair, accurate, timely and understandable. These employees must understand and strictly comply with generally accepted accounting principles as adopted by the Company

and all standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts. The Company expects all employees to take this responsibility seriously and to provide prompt, accurate answers to inquiries related to the Company's public disclosure requirements.

All of the Company's books, records, invoices, accounts and other financial statements and data must be maintained fairly, accurately and in reasonable detail and must confirm both to applicable legal requirements and to our systems of internal controls. Each employee shall maintain accurate and fair records of his or her time reports and expense accounts and any other Company records. No false or artificial entries shall be made, misleading reports issued or fictitious invoices paid or created.

Compliance with Internal Control

The Company has developed and maintains a system of internal controls to provide reasonable assurance that transactions are executed in accordance with management's authorization, are properly recorded and posted, and are in compliance with regulatory requirements. The system of internal controls includes written policies and procedures, budgetary controls, supervisory review and monitoring, and various other checks and balances, and safeguards such as password protection to access certain computer systems. All employees are expected to be familiar with, and to adhere strictly to, these control policies.

Responsibility for compliance with these internal controls and disclosure controls and procedures rests not solely with the company's accounting personnel, but with all employees involved in approving transactions, supplying documentation for transactions, and recording, processing, summarizing and reporting of transactions and other information required by periodic reports filed with the Securities and Exchange Commission. Because the integrity of the Company's external reports to shareholders and the Securities and Exchange Commission depends on the integrity of the Company's internal reports and record-keeping, all employees must adhere to the highest standards of care with respect to our internal records and reporting.

Any employee who believes the Company's books and records are not in accord with these requirements should immediately report the matter to the Chief Financial Officer or Compliance Officer. The Company has adopted explicit non-retaliation policies with respect to these matters, as described in the section titled "Reporting Illegal or Unethical Behavior".

Regulation FD

The Company is required to comply with a rule under the federal securities laws referred to as Regulation FD (which stands for "fair disclosure"). Regulation FD provides that when the Company, or person acting on its behalf, discloses material nonpublic information to certain enumerated persons (in general, securities market professionals and holders of the Company's securities who may well trade on the basis of the information), it must make public disclosure of that information. The timing of the required public disclosure depends on whether the selective disclosure was intentional or unintentional; for an intentional selective disclosure, the Company must make public disclosures simultaneously; for a non-intentional disclosure, the Company must make public disclosure promptly. Under the regulation, the required public disclosure may be made by filing or furnishing a Form 8-K, or by another method or combination of methods that is reasonably designed to effect broad, non-exclusionary distribution of the information to the public.

To ensure compliance with Regulation FD, the Company has designated the Chief Executive Officer and Chief Financial Officer as "Company Spokespersons." Only the Company Spokespersons are authorized to disclose information about the Company and its subsidiaries. If you receive a request for information, promptly contact the Chief Financial Officer to coordinate a response to such request.

Protection and Proper Use of Company Assets

Protecting company assets against loss, theft, misuse and waste is the responsibility of every employee. Theft, carelessness and waste directly impact our profitability and any suspected theft, fraud or inefficient use of company assets should be reported to a manager or supervisor.

COMPUTER AND INFORMATION SYSTEMS

For business purposes, employees are provided telephones and computer workstations and software, including network access to computing systems such as the Internet and e-mail, to improve personal productivity and to efficiently manage proprietary information in a secure and reliable manner. The employee must obtain the permission of the IT Department to install any software on any Company computer or connect any personal laptop to the Company network. As with other equipment and assets of the Company, we are each responsible for the appropriate use of these assets. Except for limited personal use of the Company's telephones and computer/e-mail, such equipment may be used only for business purposes. Employees should not expect a right to privacy of their e-mail or Internet use. All e-mails or Internet use on Company equipment is subject to monitoring by the Company.

Employment Practices

Equal Employment Opportunity

Our policies are designed to ensure that employees are treated, and treat each other, fairly and with respect and dignity. In keeping with this spirit, conduct involving harassment of any employee, customer or supplier will not be tolerated, especially harassment, violence, intimidation and discrimination of any kind involving race, color, religion, gender, age, national origin, disability, citizenship, marital status, military status or any other characteristic protected by applicable laws.

Harassment

Equal opportunity includes maintaining a workplace that is free from harassment, intimidation and hostility. Company policy prohibits sexual, racial and other unlawful harassment in the workplace. The Company will not tolerate undue influence, offensive behavior, sexual harassment, intimidation or other disrespectful conduct by one employee toward another or by any employee toward a customer or supplier.

Reporting any Illegal or Unethical Behavior

Employees are encouraged to talk to supervisors, managers, the Chief Financial Officer or other appropriate personnel about illegal or unethical behavior which they observe. In addition, any employee with concerns regarding unethical or unlawful behavior regarding financial or accounting matters may raise such concerns directly with the Compliance Officer, Audit Committee of the Board of Directors or any of its members.

Reporting of such violations may also be done anonymously and confidentially in writing to the Chief Financial Officer or the Audit Committee. An anonymous report should provide enough information about the incident or situation to allow the Company to investigate.

The Company will not tolerate any kind of retaliation for reports or questions that were made in good faith regarding misconduct by others. Open communication of issues and concerns by all employees without fear of retribution or retaliation is vital to the successful implementation of this Code. All employees are required to cooperate in internal investigations of misconduct and/or unethical behavior.

In unique situations, our business activities might give rise to complex ethical issues that are not easy to resolve. When an employee is faced with a difficult ethical decision or whenever he or she has doubts as to the right course of action in a particular situation, that employee should talk to a supervisor, manager or the Chief Financial Officer.

Failure to comply with the standards outlined in this Code will result in disciplinary action including, but not limited to, reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, discharge and/or restitution. Certain violations of this Code may require the Company to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution. Moreover, any supervisor who directs or approves of any conduct in violation of this Code, or who has knowledge of such conduct and does not immediately report it, also will be subject to disciplinary action, up to and including discharge.

Waivers and Amendments

Any waiver of this Code for executive officers or directors may be made only by the Board or a Board committee and will be promptly disclosed as required by law or stock exchange regulation. This Code may be amended or modified at any time by the Board of Directors.

Conclusion

This Code of Business Conduct and Ethics contains general guidelines for conducting the business of the Company consistent with the highest standards of business ethics. If you have any questions about these guidelines, please contact the Chief Financial Officer or Compliance Officer. We expect all of our employees, regardless of their level, to adhere to these standards. Each employee is separately responsible for his or her actions. Conduct that violates the law or this Code cannot be justified by claiming that it was ordered by someone in management. If you engage in conduct prohibited by the law or this Code, you will be deemed to have acted outside the scope of your employment. Such conduct will subject you to disciplinary action, including possibly termination of employment.

This Code and matters contained herein are neither a contract of employment nor a guarantee of continuing Company policy. We reserve the right to amend, supplement or discontinue this Code and the matters addressed herein, without prior notice, at any time.