



FAR EASTERN UNIVERSITY

Policy on Insider Trading

I. POLICY STATEMENT

It is the policy of Far Eastern University (FEU) that directors, officers and employees of the Company who are considered to have knowledge, from time to time, of material facts or changes in the affairs of FEU, which have not been disclosed to the public, including any information likely to affect the market price of FEU's securities, cannot buy or sell FEU securities ("trade"), except in accordance with this policy.

II. OBJECTIVE

The purpose of this Insider Trading Policy is to promote compliance with applicable securities laws by Far Eastern University and its affiliates, and all directors, officers and employees in order to preserve the reputation and integrity of FEU and all persons affiliated with it. SEC rules prohibit trading in the equity or debt securities of the Company while in possession of material non-public information – information that has not been generally disclosed and that a reasonable investor is likely to consider important in determining whether to transact in Company securities.

III. DEFINITION OF TERMS

SECURITIES	- Includes the Company's shares of stock, options to purchase stocks, and other evidences of indebtedness.
INSIDER INFORMATION	- Any information which is not public knowledge and which can be used to influence an investor's decision to purchase, sell, or keep a security.
MATERIAL INFORMATION	- Information that is material that may be considered important to an investor in making a decision regarding the purchase or sale of securities.

IV. COVERAGE OR SCOPE

1. All members of the Board of Trustees;
2. All Key Officers of the Company who are or may be in possession of material non-public information about FEU because of their responsibilities.
 - a. Key Officers of the Company include the Chair, President, CFO, Treasurer, Comptroller, Senior Vice President, Vice Presidents, Directors and managers wherever they be assigned or seconded to affiliate schools.



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3. All other FEU employees who are made aware of undisclosed material information from time to time until such information has been publicly disclosed.
4. Members of the immediate families of Key Officers and Covered Persons who are living in the same household as the Key Officers and Covered Persons.

V. GUIDELINES

1. Insider information must not be transmitted without authorization to persons outside Far Eastern University (e.g. to journalists, financial analysts, customers, consultants, family members, or friends).
 - a. Within Far Eastern University, such information may only be transmitted if the recipient truly needs it in order to perform his/her job.
2. While it is not possible to define all categories of material information, there are various categories of information that are particularly sensitive and, as a general rule, should always be considered material in nature. Such material information includes, but not limited to:
 - a. Financial results
 - b. Projections of future earnings or losses
 - c. News of a pending or proposed merger
 - d. Change in the corporate structure such as a re-organization
 - e. Acquisition/Divestitures/Joint venture
 - f. Dividend declaration and changes in dividend policy
 - g. Stock splits
 - h. New significant equity investments or debt offerings
 - i. Significant litigation exposure
 - j. Major changes in key senior management positions
 - k. Public or private sale of company securities

Either positive or negative information may be considered material.

3. FEU personnel who have access to insider information must always make sure that insider-relevant knowledge is so secured or kept under lock and key that unauthorized persons cannot gain access to it.
4. Managers can be held personally liable for damages if an employee violates insider trading rules and if proper supervision could have prevented such violation.
5. The members of the Board of Trustees, officers and employees who have a direct or indirect knowledge, from time to time, of material facts or changes in the affairs of the University, which have not been disclosed to the public, including any information likely to affect the market price of the University's shares, are restricted to buy or sell Far Eastern University shares during the following Blackout period:



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- a. Ten (10) trading days before and three (3) trading days after the disclosure of quarterly and annual financial results; and
 - b. Three (3) trading days before and three (3) trading days after the disclosure of any material information other than the above.
 - c. Exception - The exercise of vested stock options (i.e., acquiring shares) may be done at any time, even during Blackout Periods. However, the liquidation, (i.e., the sale of shares acquired from options) is subject to Blackout Periods.
6. All covered persons are required to report their trades (*in the Stock Trade Report form attached as Annex A*) on a quarterly basis to the Office of the Compliance Officer within fifteen (15) calendar days from the end of each quarter.
 7. All Key Officers and Covered Persons are required to report their trades to the Office of the Compliance Officer on a quarterly basis.
 8. Every Key Officer and Covered Person is required to submit annually a certification of his compliance with the prohibition against trading during the Blackout Periods.

VI. CONSEQUENCES OF NON-COMPLIANCE

Violation of this Policy shall be subject to disciplinary action under the Company's Employee Code of Conduct and Discipline without prejudice to any civil or criminal proceedings which FEU or regulators may file for violation of existing laws. Insider trading under the law may be subject to penalty for damages or fine and /or imprisonment.

VII. ADMINISTRATION

1. Administration of this policy shall be made by the Compliance Officer and the Key Officers.
2. The Corporate Governance Committee shall ensure this policy is updated as the need arises.

VIII. APPENDICE

Annex A - Stock Trade Report