

**Code of Ethics  
for Senior Financial Officers  
and the Principal Executive Officer  
of  
REGENCY AFFILIATES, INC.**

Regency Affiliates, Inc. (the “Corporation”) is committed to conducting its business in compliance with all the applicable laws and regulations of the jurisdictions in which it operates and in accordance with high standards of business conduct. The Corporation strives to maintain the highest standard of accuracy, completeness and disclosure in its financial dealings, records and reports. These standards serve as the basis for managing the Corporation’s business, for meeting the Corporation’s duties to its shareholders and for maintaining compliance with financial reporting requirements. All of the Corporation’s financial executives must agree to comply with the following principles, and the Chief Executive Officer, in his capacity as the Corporation’s principal executive officer, to whom all senior financial officers ultimately report, will promote and support this Code of Ethics, and, to the extent consistent with his or her duties and responsibilities, comply with the following principles:

Each senior financial officer of the Corporation will adhere to and advocate the following principals and responsibilities governing his or her professional and ethical conduct, each to the best of his or her knowledge and ability:

1. Act with honesty and integrity and in an ethical manner in handling actual or apparent conflicts of interest in personal and professional relationships.
2. Promptly disclose to the Corporation, through the Chief Financial Officer, any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest between personal and professional relationships.
3. Provide constituents with information that is accurate, complete, objective, relevant, timely and understandable.
4. Comply with the rules and regulations of federal, state, provincial and local governments and other appropriate private and public regulatory agencies.
5. Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing his or her independent judgment to be subordinated.
6. Use good business judgment in the processing and recording of all financial transactions.

7. Respect the confidentiality of information acquired in the course of the Corporation's business, except when authorized or otherwise legally obligated to disclose such information, and not use confidential information acquired in the course of work for personal advantage.
8. Share knowledge and maintain skills important and relevant to his or her constituents' needs.
9. Promote ethical behavior among constituents in the work environment.
10. Achieve responsible use of and control over all assets and resources employed or entrusted to him or her.
11. Comply with generally accepted accounting standards and practices, rules, regulations and controls.
12. Ensure that accounting entries are promptly and accurately recorded and properly documented and that no accounting entry intentionally distorts or disguises the true nature of any business transaction.
13. Maintain books and records that fairly and accurately reflect the Corporation's business transactions.
14. Sign only those documents that he or she believes to be accurate and truthful.
15. Devise, implement and maintain sufficient internal controls to assure that financial record keeping objectives are met.
16. Prohibit the establishment of any undisclosed or unrecorded funds or assets for any purpose and provide for the proper and prompt recording of all disbursements of funds and all receipts.
17. Not knowingly be a party to any illegal activity or engage in acts that are discreditable to his or her profession or the Corporation.
18. Respect and contribute to the legitimate and ethical objectives of the Corporation.
19. Engage in only those services for which he or she has the necessary knowledge, skill and expertise.
20. Not make, or tolerate to be made, false or artificial statements or entries for any purpose in the books and records of the Corporation or in any internal or external correspondence, memoranda, or communication of any type, including telephone or wire communications.
21. Report to the Corporation, through the Chief Financial Officer, any situation where the Code of Ethics, the Corporation's standards or any applicable laws are being violated.

I acknowledge that it is my responsibility to report to the Corporation any situation where the Corporation's standards or the laws are being violated. I further acknowledge that failure to comply with this Code of Ethics will not be tolerated by the Corporation and that deviations therefrom or violations thereof will result in serious reprimand by the Corporation, including but not limited to immediate dismissal.

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Name:

Title:

Date: April 14, 2004