

**Nominating Committee Charter**  
Adopted by the Board of Directors on September 14, 2020

This Charter (the “*Charter*”) shall govern the operations of the Nominating Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Intrusion Inc., a Delaware corporation (the “*Company*”).

**Purpose**

The purpose of this Charter is to assist and direct the Committee in performing the following primary responsibilities:

- to consider proposals made by stockholders and others to nominate specific individuals to the Board (“*Candidates*”);
- to identify qualified Candidates for membership on the Board; and
- to recommend to the Board the director nominees for election at each annual meeting of stockholders and at each other meeting of stockholders at which directors are to be elected.

**Membership of the Committee**

The Committee shall consist of at least three members, comprised solely of directors who meet the independence requirements of Nasdaq. Committee members shall be appointed by the Board and may be removed by the Board at any time. The Committee shall recommend to the Board, and the Board shall designate, the Chair of the Committee.

**Meetings of the Committee**

The Committee shall meet as often as necessary to carry out its responsibilities, but not less than once each year. At the discretion of the chairperson of the Committee, but at least once each year for all or a portion of a meeting, the members of the Committee shall meet in executive session, without any members of management present.

The Committee shall periodically or upon request of the Board (a) evaluate its own performance and report to the Board on such evaluation, (b) review and assess the adequacy of this charter, and (c) recommend any proposed changes to the Board for approval.

**Criteria for Evaluation**

In nominating and evaluating Candidates to determine if they are qualified to become Board members, the Committee shall consider a number of attributes, including:

- personal and professional character, integrity, ethics and values, without regard to race, religion, gender or national origin;
- general business experience and leadership profile, including experience in corporate management, such as serving as an officer or former officer of a publicly held company, or experience as a board member of another publicly held company;
- strategic planning abilities and experience;
- aptitude in accounting and finance;
- understanding of relevant technologies;
- academic expertise in an area of the Company’s operations;
- experience in the network security or telecommunications industry;
- communications and interpersonal skills; and
- practical and mature business judgment.

While these criteria are used to evaluate potential nominees, there are no stated minimum criteria for nominees.

**Procedures to be followed with Respect to the Submission of Names for Consideration by the Nominating Committee**

The following procedures (the “*Minimum Procedures*”) shall be utilized in considering any candidate for election to the Board at an annual meeting, other than candidates who have previously served on the Board or who are recommended by the Board. A nomination must be delivered to the Secretary of the Company at the principal executive offices of the Company not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice to be timely must be so delivered not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the close of business on the tenth (10th) day following the day on which public announcement of the date of such meeting is first made by the Company. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a notice as described above. Such notice shall set forth as to each person whom the proponent proposes to nominate for election as a director (a) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in

an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), and (b) information that will enable the Committee to determine whether the candidate is suitable for nomination to the Board.

In the event that a director is to be nominated at a special meeting of stockholders or is to be elected by the Board, the Committee shall develop procedures designed to conform, as nearly as practicable, to the procedures applicable to elections of Board members at annual meetings.

The Committee may, but shall not be required to, develop other procedures designed to supplement the Minimum Procedures.

#### **Processes to be followed in considering Candidates**

Candidates to serve on the Board shall be identified from such sources as shall be available to the Committee, including without limitation recommendations made by stockholders.

There shall be no differences in the manner in which the Committee evaluates nominees recommended by stockholders and nominees recommended by the committee or management, except that no specific process shall be mandated with respect to the nomination of any individuals who have previously served on the Board. The evaluation process shall include (i) a review of the information provided to the Committee by the proponent, (ii) a review of reference letters from at least two sources determined to be reputable by the Committee and (iii) a personal interview of the candidate, together with a review of such other information as the Committee shall determine to be relevant.

#### **Additional Authority of the Committee**

The Committee shall have the authority, in its discretion, to retain outside counsel and other advisors.

The Committee may delegate its authority to subcommittees or the Chair of the Committee when it deems it appropriate and in the best interests of the Company.

**Compensation Committee Charter**  
Adopted by the Board of Directors on September 14, 2020

This Charter (the “*Charter*”) shall govern the operations of the Compensation Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Intrusion Inc., a Delaware corporation (the “*Company*”).

**Purpose**

The purpose of this Charter is to assist and direct the Committee in performing the following primary responsibilities:

- to review, research, and make recommendations regarding executive compensation;
- to oversee plans for management succession;
- to set compensation policies and plans; and
- to perform other obligations as set forth in this Charter or as requested by the Board.

**Membership**

The Committee shall consist of at least three members, comprised solely of directors who meet the independence requirements of Nasdaq. Committee members shall be appointed by the Board and may be removed by the Board at any time. The Committee shall recommend to the Board, and the Board shall designate, the Chair of the Committee.

**Meetings**

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this charter. The Chair of the Committee, in consultation with the other Committee members, shall determine the frequency and length of the Committee meetings and shall set meeting agendas consistent with this charter. No executive officer should attend that portion of any meeting where such executive’s performance or compensation is discussed, unless specifically invited by the Committee. The Chief Executive Officer may not be present during voting or deliberations related to his or her compensation.

The Committee shall report to the Board periodically, but no less than annually. The Committee shall periodically or upon request of the Board (a) evaluate its own performance and report to the Board on such evaluation, (b) review and assess the adequacy of this charter, and (c) recommend any proposed changes to the Board for approval.

**Responsibilities**

In addition to any other responsibilities which may be assigned from time to time by the Board, the Committee is responsible for the following matters.

*Executive Compensation*

The Committee shall determine, or recommend to the Board for determination, the compensation of the Chief Executive Officer and each of the Company’s other executive officers. In determining, or recommending for determination, executive officer compensation, the Committee shall, among other things:

- identify, review and approve corporate goals and objectives relevant to executive officer compensation;
- review and approve the Company’s peer companies and data sources for purposes of evaluating the Company’s compensation competitiveness and establishing the appropriate competitive positioning of the levels and mix of compensation elements;
- evaluate each executive officer’s performance in light of such goals and objectives and determine each executive officer’s compensation based on such evaluation, including such other factors as the Committee deems appropriate and in the best interests of the Company; and
- determine any long-term incentive component of each executive officer’s compensation.

*Management Succession*

The Committee shall, in consultation with the Company’s Chief Executive Officer, periodically review the Company’s management succession planning, including policies for Chief Executive Officer selection and succession in the event of the incapacitation, retirement or removal of the Chief Executive Officer, and evaluations of, and development plans for, any potential successors to the Chief Executive Officer.

## *Compensation Policies and Plans*

The Committee shall review and evaluate the Company's executive compensation and benefits policies generally (subject, if applicable, to stockholder approval), including the review and recommendation of any incentive-compensation and equity-based plans of the Company that are subject to Board approval. In reviewing such compensation and benefits policies, the Committee may consider the recruitment, development, promotion, retention and compensation of executive officers and other employees of the Company and any other factors that it deems appropriate. The Committee shall also oversee and set compensation and benefits policies for the Company's directors.

### **Additional Authority**

The Committee has the sole authority to retain or obtain the advice of a compensation consultant, legal counsel or other adviser and shall be directly responsible for the appointment, compensation and oversight of the work of any such adviser retained by the Committee. The Committee has sole authority to approve all such advisers' fees and other retention terms. The Company shall provide for appropriate funding, as determined by the Committee, for the payment of reasonable compensation to such adviser retained by the Committee. Prior to selecting, or receiving advice from, any advisor, the Committee shall consider the independence of such advisor based on any applicable criteria specified by the Securities and Exchange Commission or the Nasdaq; provided, however, that the Committee shall not be prohibited from obtaining advice from advisors that it determines are not independent.

The Committee may delegate its authority to subcommittees or the Chair of the Committee when it deems it appropriate and in the best interests of the Company.

The Committee may delegate to one or more officers of the Company the authority to make grants and awards of stock rights or options to any non-Section 16 officer of the Company under any of the Company's incentive-compensation or other equity-based plans as the Committee deems appropriate and in accordance with the terms of such plans.

## **Audit Committee Charter**

As Amended and Restated by the Board of Directors on September 14, 2020

This Charter (the “*Charter*”) shall govern the operations of the Audit Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Intrusion Inc., a Delaware corporation (the “*Company*”).

### **Purpose**

The purpose of this Charter is to assist and direct the Committee in performing the following primary responsibilities:

- Oversee (or assist the Board in overseeing), as appropriate, the integrity of the Company’s financial statements and the Company’s compliance with legal and regulatory requirements;
- Monitor the Company’s financial reporting processes and its internal audit function regarding finance and accounting;
- Select, appoint, compensate, oversee, evaluate (including the qualifications and independence of) and, where appropriate, replace the registered public accounting firm employed by the Company as its independent auditors to prepare or issue an audit report or related work and to cause such independent auditors to report directly to the Committee;
- Provide a forum for communication among the Board, the independent auditors, and financial and senior management of the Company, including the resolution of disagreements between management and the independent auditors regarding financial reporting and the establishment of procedures to handle complaints regarding accounting, internal audit control and auditing matters;
- Prepare the Committee’s report for inclusion in the Company’s annual proxy statement; and
- Report the results of its oversight responsibilities to the Company’s stockholders.

### **Membership**

The Committee shall consist of at least three members, comprised solely of directors who meet the independence and experience requirements of Nasdaq. Committee members shall be appointed by the Board and may be removed by the Board at any time. The Committee shall recommend to the Board, and the Board shall designate, the Chair of the Committee.

### **Meetings**

The Committee shall meet at least four times annually, and more frequently as circumstances dictate.

More specifically, the Committee shall meet:

- on a quarterly basis with management and the independent auditors to review the Company’s interim financial statements and quarterly earnings releases;
- at least annually with the Company’s independent auditors with respect to independence and quality control issues involving such auditors; and
- at least annually with the Company’s management and independent auditors with respect to the Company’s audited year-end financial statements.

The Committee shall periodically meet separately with the Company’s management, with its internal auditors (or other personnel responsible for the internal audit function) and with its independent auditors. Committee meetings and communications shall be either in person or by conference telephone call, videoconference or similar means. Except to the extent separate meetings are otherwise required, meetings with management, internal audit and the independent auditors may be either separate or combined at the discretion of the Committee. The majority of the members of the Committee shall constitute a quorum. Minutes shall be prepared for each meeting of the Committee, which minutes shall be submitted to the Committee for approval at a later meeting. The minutes of all meetings of the Committee shall be sent to the secretary of the Company for filing. The Committee will report its actions to the next meeting of the Board.

### **Authority; Accountability**

The Committee is empowered to investigate any matter brought to its attention, with full access to all books, records, facilities and personnel of the Company and, for this purpose and any other purpose the Committee deems necessary to carry out its duties, to retain on behalf of the Committee outside counsel, accountants or other experts or advisors.

The independent auditors shall be ultimately accountable to the Committee. The Committee shall have ultimate authority and responsibility to select, appoint, compensate, oversee, evaluate and, where appropriate, replace the independent auditors. The Committee is ultimately accountable to the Board of Directors.

The Company shall provide appropriate funding, as determined by the Committee, for the payment of (1) compensation of the Company’s independent auditors for the purpose of rendering or issuing an audit report, (2) compensation to any advisors employed

by the Committee as provided in this Charter; and (3) ordinary administrative expenses that the Committee deems necessary or appropriate in carrying out its duties.

The Committee may delegate its authority to subcommittees or the Chair of the Committee when it deems it appropriate and in the best interests of the Company, including, without limitation, Subcommittees relating to Risk Oversight, CD&A Disclosure, Environmental, Social and Governance Policies and Practices, and Whistleblower Processes and Procedures, as the Committee shall so determine. Any subcommittees shall report to the Committee, which will then in-turn report to the Board.

## **Responsibilities**

The responsibilities of the Committee are set forth in this Charter. The responsibility of management is to prepare the Company's financial statements. The responsibility of the independent auditors is to audit those financial statements.

### *Financial Reporting Review*

The Committee shall, as it relates to interim financial information, review and discuss the Company's quarterly operating results with management and the independent auditors. If practicable, the review and discussion shall occur prior to release of the Company's operating results, but in any event it shall occur prior to filing of the Company's quarterly report on Form 10-Q with the SEC and the public release of any financial results. The Chairperson of the Committee may represent the entire Committee for purposes of this review and discussion.

The Committee shall, prior to distribution, review and discuss the quarterly financial statements of the Company with management and the independent auditors, including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Controls and Procedures." If and when the Company is required or elects to provide "Compensation Discussion and Analysis" disclosure (the "CD&A Disclosure") in its filings with the SEC, the Audit Committee, or a sub-committee created for this purpose and with the appropriate delegation of such authority, shall be tasked with the responsibility to review and oversee not only the content, but the processes in place to generate the information required to be included in such CD&A disclosure.

The Committee shall, on a quarterly basis (and as of a date within 90 days prior to the filing of the Company's periodic reports on Form 10-K and Form 10-Q), review a report from the Company's Chief Executive Officer and Chief Financial Officer disclosing to the Committee:

- all significant deficiencies in the design or operation of the Company's internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data and that such officers have identified for the Company's auditors any material weaknesses in such internal controls; and
- any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.

The Committee shall, prior to distribution, review and discuss the annual audited financial statements of the Company with management and the independent auditors, with specific attention to those matters warranting discussion, including a review and discussion of the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Controls and Procedures."

The Committee shall, based on the review and discussions described in other sections of this Charter, determine whether the audited financial statements of the Company be included in the Company's annual report on Form 10-K to be filed with the SEC.

The Committee shall prepare the Committee's report for inclusion in the Company's annual proxy statement.

The Committee shall review and discuss the report from the Company's independent auditors as to:

- all critical accounting policies and practices to be used;
- all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management of the Company, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by such independent auditors;
- the effectiveness of the Company's internal controls in providing reasonable assurance that the financial statements and disclosures are fairly presented, comply with legal and regulatory requirements and provide timely detection of fraud; and
- other material written communications between such independent auditors and management of the Company.

The Committee shall review and discuss with the independent auditors their evaluation of the Company's financial reporting processes, both internal and external.

The Committee shall review and discuss with the independent auditors their judgment about the quality, not just the acceptability, of

the Company's accounting principles as applied in its financial reporting (with management to be included in these discussions at the discretion of the Committee).

The Committee shall meet separately, periodically with management, with internal auditors (or other personnel responsible for the internal audit function) and with the Company's independent auditors.

The Committee shall review and discuss with the independent auditors and management the extent to which changes in financial or accounting practices, as approved by the Committee, have been implemented, and plans for future implementation.

The Committee shall review with the Company's independent auditors any audit problems or difficulties and management's response.

The Committee shall discuss earnings, press releases and financial information and earnings guidance provided to analysts and rating agencies.

The Committee shall resolve any disagreements between management and the Company's independent auditors regarding financial reporting.

#### *Independent Auditors*

The Committee shall (i) at least annually, obtain and review a report by the Company's independent auditors describing all relationships between the Company and such auditors; (ii) receive the written disclosures and the letter from the independent auditors and discuss with them the disclosures, the letter and their independence; (iii) discuss with the independent auditors any disclosed relationships or services that may impact the objectivity and independence of the independent auditors; and (iv) take appropriate action in response to the independent auditors' written disclosures for the Committee to satisfy itself of the independent auditors' independence.

The Committee shall approve in advance the engagement of the Company's independent auditors to provide both auditing services (including comfort letters in connection with securities underwritings) and non-audit services (including tax services); provided, however, the Company's independent auditors may not be engaged to provide any of the following non-audit services:

- bookkeeping or other services relating to the accounting records or financial statements of the Company;
- financial information systems design and implementation;
- appraisal or valuation services, fairness opinions or contributions-in-kind reports;
- actuarial services;
- internal audit outsourcing services;
- management functions or human resources;
- broker or dealer, investment advisor or investment banking services;
- legal services and expert services unrelated to the audit; and
- such other services as the Public Accounting Oversight Board may determine, by regulation, to be impermissible.

The Committee shall confirm that both the lead (or coordinating) audit partner at the Company's independent accountants that has primary responsibility for the audit of the Company's financial statements and the audit partner responsible for reviewing the audit have not performed audit services for the Company in each of the five previous fiscal years before the current audit.

The Committee shall confirm that none of the following Company officers has been employed by the Company's independent auditors and participated in any capacity in an audit of the Company during the one-year period preceding the date that the independent auditors commenced their audit

- the Chief Executive Officer;
- the Chief Financial Officer;
- the comptroller;
- the chief accounting officer; and
- any person serving in an equivalent position to those named above.

The Committee shall set clear hiring policies for employees or former employees of the Company's independent auditors.

The Committee shall, prior to commencement of work on the annual audit by the independent auditors, discuss with them the overall scope and plan for the audit.

The Committee shall, following completion of work on the annual audit, discuss with the independent auditors and management the adequacy and effectiveness of the Company's systems of internal controls regarding finance and accounting.

The Committee shall, at least annually, obtain and review a report by the Company's independent auditors describing their internal

quality-control procedures, any material issues raised by the most recent internal quality-control review or peer reviews of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years with respect to one or more independent audits conducted by such firm and any steps taken to deal with such issues.

The Committee shall review the performance of the independent auditors annually.

#### *Related Party Transactions*

The Committee shall review and approve all related party transactions for which Committee approval is required by applicable law (including Nasdaq) or required to be disclosed in the Company's financial statements or SEC filings.

#### *Confirm Independence*

The Committee shall confirm, at least annually, that the members of the Committee continue to meet all Nasdaq requirements for independence.

The Committee shall confirm that the Company has made to Nasdaq all required affirmations regarding (i) the independence, financial literacy and accounting or related financial management expertise of the members of the Committee, and (ii) the annual review and reassessment of this Charter.

#### *Risk Oversight*

While overall enterprise-wide risk management is ultimately the responsibility of the Board, the Audit Committee is delegated with the authority to oversee the identifying, assessing, and monitoring of such risks, delegating authority for discrete risk management oversight to the appropriate committees of the Board or to a Risk Oversight sub-committee of the Audit Committee. The Audit Committee shall report regularly to the Board at-large on its activities in risk oversight, pass along reports from any Committees or sub-committees with oversight authority, and make recommendations for any changes, modifications, improvements, or expansions of the Company's risk assessment and management policies and procedures.

#### *Legal and Other Matters*

The Committee shall review with the Company's legal counsel (i) legal compliance matters and (ii) other legal matters that could have an impact on the Company's financial statements.

The Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.

The Committee shall discuss policies with respect to risk assessment and risk management.

The Committee shall review and assess the adequacy of this Charter annually, recommending appropriate changes for Board approval.

The Committee shall report regularly to the Board.

The Committee shall review the Company's code of ethics and conduct for directors, officers and employees, approve all waivers of the code of ethics for directors and officers, and ensure timely disclosure of any such waivers by the Committee.

The Committee shall annually perform an evaluation of the Committee's performance, report the results of such evaluation to the Board and receive directions or suggestions from the Board on areas in which the Committee's performance could be improved.

*A copy of this Code shall be available on the Company's web site at [www.intrusion.com](http://www.intrusion.com).*

## **INTRUSION INC. CODE OF BUSINESS CONDUCT AND ETHICS**

### **For Employees, Executive Officers, and Directors**

#### **Introduction**

The Code of Business Conduct and Ethics (the "*Code*") has been developed by Intrusion Inc. (the "*Company*") and has been adopted by the Company's Board of Directors. It summarizes, clarifies and documents the principles that should guide all Company "*Employees*" and "*Executive Officers*" (collectively, "*Company Personnel*") as well as its "*Non-Employee Directors*" (collectively with Company Personnel, "*Company Agents*").

The Code is not intended as a replacement for good judgment and personal responsibility. Although the Code does address many issues specifically, it does not and it cannot spell out the appropriate conduct and ethical behavior for every situation that the Company or any Company Agent will be confronted with. It is intended to serve as a framework for evaluating the many and varied situations confronted with on a daily basis.

Ultimately, each Company Agent must rely on common sense, good judgment, and internal sense of right and wrong. If a situation raises ethical questions or the meaning or applicability of the Code is in doubt, Company Personnel should seek counsel from their most appropriate direct supervisor or report (the "*Immediate Supervisor*"), the Chief Executive Officer, Chief Financial Officer, or other Executive Officer, or a member of the Company's Audit Committee or other Non-Employee Director (each, an "*Oversight Resource*").

**VIOLATION OF THIS CODE WILL SUBJECT COMPANY AGENTS TO DISCIPLINARY ACTION, UP TO AND INCLUDING, TERMINATION.**

#### **Honesty and Fairness**

The Company engages in many and varied business relationships with individuals, organizations, businesses, governmental and regulatory agencies ("*Company Contacts*"), and Company Agents are often called upon to represent the Company in dealings with these Company Contacts. No Company Agent should ever make misrepresentations or dishonest statements, or statements intended to mislead, misrepresent or misinform any Company Contact and should promptly correct or clarify any written or verbal statement that has been, or which may be, misunderstood by a Company Contact.

#### **Compliance with Applicable Law**

The Company is committed to strict compliance with all applicable governmental laws, rules and regulations, including but not limited to laws, rules and regulations related to securities, labor, employment and workplace safety matters ("*Applicable Laws*"). All Company Agents are expected to comply with all Applicable Laws, and any violation of such should be immediately reported to the appropriate Oversight Resource. Any request from a governmental or regulatory agency for information about the Company, its actions, customers, vendors, suppliers or other Company Contacts shall be directed to the Company Agent's Immediate Supervisor or Oversight Resource and any verbal or written response to any governmental or regulatory agency must be accurate, complete, truthful, and must not omit any information that would, in light of the omission make any other statement inaccurate, untruthful, or misleading, with any such response to be approved in advance (where possible, permitted, and appropriate) by an Oversight Resource.

#### **Confidentiality**

Company Agents often receive information not known to the public, which may include but is not limited to sales information, new product or service information, customer information, business strategies, proposed acquisition or divestiture plans, information pertaining to vendor products and performance, etc. ("*Confidential Information*") of not only the Company but Company Contacts. No Company Agent should ever, under any circumstance, disclose any of this Confidential Information to individuals outside the Company or individuals inside the Company who do not have a need to know such Confidential Information. If a Company Agent has any question regarding whether any information constitutes Confidential Information, the Company Agent should request clarification from an Oversight Resource. Additional obligations relating to a Company Agent's use of or disclosure of such Confidential information may be contained in separate agreements or imposed as a fiduciary obligation. In no event should any Confidential Information of the Company or any Company Contact be disclosed to outside third parties without the review and approval of the Company's Chief Executive Officer.

## **Intellectual Property**

While employed by or otherwise in the service of the Company, all Company Personnel receive compensation for the time and work provided to the Company and will, in such service, have access to the Company's Confidential Information. As a result, any new ideas conceived, made, created, invented, developed or reduced to practice by Company Personnel, whether alone or with others, whether or not during normal business hours, and whether or not on Company property, during employment with or service to the Company that relates in any way to the business or perspective activities of the Company, or results from, or suggested by work done for the Company (collectively the "**Work Product**") is property of the Company and must be disclosed promptly and fully by Company Personnel. This may be in addition to and not in lieu of any additional obligations regarding Work Product that Company Personnel may have under separate agreements.

## **Accurate Record-Keeping and Documentation**

The Company must keep and maintain accurate records of its business dealings, transactions, sales, purchasing, and financial information ("**Company Business Records**"). Complete and accurate Company Business Records are essential for the Company to meet its tax, accounting, compliance, and disclosure obligations under Applicable Laws. Accordingly, each Company Agent with responsibility for maintaining, gathering, summarizing, storing, or handling Company Business Records must do so in a complete, accurate, and timely manner to ensure the integrity of such records. For example, no Company Agent should ever under any circumstances, make a false or misleading entry or characterization in any Company Business Record. Company transactions must be recorded accurately, completely and in a timely manner. Company Personnel must never make false or artificial entries in the Company's Business Records or understate or overstate reports of sales or expenses or alter any documents used to support those records. All Company Personnel who create, collect, or manage Company Confidential Information and Company Business Records of a financial nature must comply with generally accepted accounting principles and established internal control procedures at all times.

## **Conflicts of Interest**

Company Agents should avoid all situations in which decisions are or may be influenced by considerations of personal gain (directly or indirectly), or that would benefit a Company Agent's family, relatives or other third parties, that conflict with the Company Agent's obligation to serve the best interest of the Company and its stockholders (a "**Conflict of Interest**"). Such conflicting loyalties can arise when an opportunity presents itself where a Company Agent could potentially give preference to personal interest in a situation where responsibilities to the Company should come first. Any and all actual, perceived, or possible Conflicts of Interest must be submitted in writing by a Company Agent to the Company's Chief Financial Officer. The Chief Financial Officer will then be charged with addressing the Conflict of Interest in accordance with the Company's policies including those regarding "related party transactions," with the ultimate goal of avoiding even the "hint of impropriety" in the Company's business dealings.

## **Improper Payments**

No Company Agent is authorized to make, at the expense of or on behalf of the Company, contributions of money, property, or services to any political candidate or political action committee without prior written permission by the Chief Executive Officer. Any Company Agent may, of course, personally participate and contribute to political organizations or campaigns, but such participation must occur on their own time, with their own funds and in their own names, and not be conducted on or publicized on or near Company premises.

No Company Agent shall use Company funds, property, or assets for any unlawful purpose, nor shall any Company Agent attempt to purchase, solicit or accept privileges or special benefits for the Company or any Company Agent from any person, firm, corporation or governmental entity through the payment of bribes, kickbacks, preferential benefits or any other similar remuneration or consideration. For purposes of this policy, the term "directly or indirectly" means any benefit received by or any Conflict of Interest relating to, Company Agent or their spouse, any member of their immediate family or any entity that is controlled by or under common control of the Company Agent.

The United States Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to foreign government officials or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country. It is in violation of federal law and Company policy to promise, offer or deliver to an official or employee of a foreign government a gift, favor or other gratuity. Violation of this law could subject a Company Agent to substantial fines, possible imprisonment, and disciplinary action by the Company up to and including termination. Employees may not offer gifts or gratuities to any government official, unless the gift is given entirely in the context of a personal friendship, cannot possibly be considered as part of an attempt to influence official behavior, and does not otherwise create an appearance of impropriety.

We must also do our utmost to ensure that our agents, consultants, and other third parties refrain from engaging in corrupt practices on our behalf. We cannot make any payment to a third party if it will be used to make an improper payment. We should perform due diligence on our business partners to avoid working with parties engaging in corrupt practices.

## **Internal Reporting of Corporate Misconduct**

The Company is committed to providing a work environment that is free from conduct that violates Applicable Laws, specifically including state and federal securities laws and laws prohibiting fraud (collectively, “*Corporate Misconduct*”).

Company Personnel who observe actions and/or become aware of conduct they reasonably believe constitutes Corporate Misconduct should immediately report the conduct that is of concern. As the conduct in question may involve a colleague, Immediate Supervisor, or a member of management, including potentially conduct of the Chief Financial Officer and the Chief Executive Officer, Personnel should make their own determination as to the best channel to report questionable conduct. Personnel may direct their concerns to an Immediate Supervisor, the Chief Financial Officer, Chief Executive Officer, a member of the Audit Committee or another Non-Employee Director, or any other Oversight Resource. In any event, any potential Corporate Misconduct that involves the Chief Financial Officer, Chief Executive Officer, or by that nature of the conduct is sensitive should be reported to the Audit Committee or a Non-Employee Director.

Allegations of Corporate Misconduct shall be forwarded to the Audit Committee who will appoint one or more individuals, who may or may not be independent of the Company, who will discreetly investigate the alleged Corporate Misconduct. After the investigation, any Company Personnel found to have engaged in Corporate Misconduct will be subject to appropriate disciplinary action, up to and including termination of employment and legal action.

## **External Reporting of Corporate Misconduct.**

The Company is committed to protecting any Company Personnel from any reprisal or retaliation in connection with their reporting of any actual, alleged, or potential Corporate Misconduct to a governmental, regulatory, or law enforcement agency (an “*External Investigative Body*”); provided that the Company Personnel are not intentionally or knowingly providing false, fraudulent, or misleading information in connection with reporting such information to the External Investigative Body. Neither the Company nor any Company Agent, contractor, subcontractor, or affiliate of the foregoing may (whether directly or indirectly) discharge, demote, suspend, threaten, harass, or otherwise discriminate against any Company Personnel in terms and conditions of employment because of any lawful act done by Company Personnel to (i) provide information, cause information to be provided to, or otherwise provide assistance to, assist any External Investigative Body relating to actual, alleged, or potential Corporate Misconduct or (ii) file, cause to be filed, testify, participate in or otherwise assist in a proceeding filed or about to be filed (with any knowledge of the Company) by any External Investigative Body relating to alleged Corporate Misconduct. In the event that an External Investigative Body conducts an investigation, any Company Agent requested to provide documents, records, information, observations, insights, or testimony regarding allegations of Corporate Misconduct shall provide complete and accurate information and testimony that does not omit to state any information that would, as a result of such omission, result in the information being misleading or inaccurate.

## **Investigation of Retaliation**

Any Company Personnel experiencing retaliation for reporting actual, alleged, or potential Corporate Misconduct to a Company Oversight Resource or to an External Investigative Body may file a complaint alleging retaliation direct with the Company’s Chief Financial Officer or to any member of the Audit Committee. The Audit Committee will thereafter appoint one or more individuals, who may or not be independent of the Company (the “*Investigator*”) to investigate or oversee the investigation of complaints from any Company Personnel alleging retaliation. The Audit Committee shall provide the Investigator with all requisite authority and support to duly investigate the complaint, including, without limitation, making other Company Agents available to answer questions, provide testimony, or produce documents relating to such complaint. As part of the investigation, the Investigator shall provide a copy of the complaint and any such documents on which he/she intends to rely in reaching a determination to the person accused of retaliation. That person shall be provided the opportunity to respond to the complaint and to file a written statement which will become a part of the investigation records. Upon the conclusion of the investigation, the Investigator shall present a written report to the Audit Committee, which may request the Investigator present orally or in-person to the Audit Committee, which will have the ability to ask questions of the Investigator and to review any documents the Investigator relied upon in the report.

Based on the findings presented by the Investigator and the investigation record, the Audit Committee will reach a decision regarding the complaint and will recommend a course of action to the Company’s Chief Financial Officer or Chief Executive Officer who will communicate that decision to the complainant and to the person(s) accused of violating this Policy. The decision of the Audit Committee will include any appropriate relief for the complainant which may include, without limitation, termination of the person accused of violating this Code or referring the matter to an External Investigative Body; provided, however, that the Audit Committee will refrain from describing any disciplinary action to be taken against any Company Agent that is otherwise private and confidential.

## **Securities Law**

The Company is subject to public reporting obligations and its shares are publicly traded. These obligations include compliance with federal, state, and local rules and regulations as well as those promulgated by the SEC and NASDAQ, as

well as filing periodic reports with the SEC annually on form 10-K and quarterly on Form 10-Q, contemporaneously on Form 8-K, and in connection with stockholder meetings and voting under the proxy and information statement rules of Schedule 14 of the Securities Exchange Act of 1934 (collectively, the “**Required Public Reports**”).

It is the policy of the company to ensure full, fair, accurate, timely, and understandable disclosure in the Required Public Reports and any exhibits and documents filed in connection with those reports as well as other public communications made by the Company both orally and in writing. In order to ensure adherence to this policy, all Company Agents are expected to keep accurate and complete business records as described above in this Code. Any Company Agents who contribute to or who review Required Public Reports are expected to (a) provide complete and accurate information and not to omit material information that by their omission would render such information incomplete or misleading, (b) to bring to the attention of an Oversight Resource any situation that would cause or contribute to the Company filing a Required Public Report that might be inaccurate, misleading, or omit material information that would, by its omission render such information incomplete or misleading, and (c) to report any Corporate Misconduct that could contribute to the same.

### **No Personal Loans**

Federal securities laws prohibit public companies from directly or indirectly extending or maintaining credit, from arranging the extension of credit, or to renew an extension of credit, in the form of a personal loan to or for a Director or Executive Officer of the public company. Therefore, it is the policy of the Company to prohibit any personal loans directly or indirectly to any Director or Executive Officer.

### **Insider Trading**

Federal securities laws and regulations govern trading activity related to the Company’s publicly traded securities, such as its common stock. Violations of federal securities laws can lead to civil and criminal actions against both the individuals involved as well as the Company. These laws and regulations prohibit, among other things, “insider trading” of publicly traded securities when the person executing the trade is in possession of material non-public information about the issuer.

During the course of your affiliation with the Company, you may come into possession of material non-public information either with respect to the Company’s activities or business, or with respect to another company, such as the Company’s customers or suppliers. It is the Company’s policy that any Company Agent possessing such material non-public information may not engage in any transaction in the Company’s securities or such other company’s securities when and for as long as such material information is not publicly available; and furthermore, such Company Agent may not pass on or provide “tips” to others related to such information until such information has been disclosed to the public by the respective company.

These rules are covered in more detail by the Company’s Insider Trading Policy, a copy of which has been provided to every Company Agent. All Company Agents are required to follow the Insider Trading Policy and to engage in trading activities in strict compliance upon the same.. Any questions about this policy should be directed to the Company’s Chief Financial Officer.

### **Waiver or Amendment of the Code**

The Board of Directors may amend this Code or waive the application of this Code to Company Agents under special and exceptional circumstances to the extent permitted by Applicable Laws, the SEC and NASDAQ, and any such waiver promptly will be publicly disclosed to the extent required by law or stock exchange regulations. Where required, all amendments to and every waiver of any provision of this Code will promptly be publicly disclosed by the filing of a current report on Form 8-K within four (4) business days of the approval of such waiver or amendment.

### **Distribution**

All Company Agents shall be given a copy of this Code and asked to sign an acknowledgement certifying receipt.

**ANY QUESTIONS REGARDING THIS CODE SHOULD BE DIRECTED TO AN EMPLOYEE’S IMMEDIATE SUPERVISOR, THE COMPANY’S CHIEF FINANCIAL OFFICER, OR A MEMBER OF THE COMPANY’S AUDIT COMMITTEE.**