

PARETEUM CORPORATION

FOREIGN CORRUPT PRACTICES ACT COMPLIANCE POLICY

I. POLICY STATEMENT

This Foreign Corrupt Practices Act Compliance Policy (the “**Policy**”) has been adopted by Pareteum Corporation (together with its subsidiaries and affiliates, the “**Company**”) to ensure compliance with all applicable United States and foreign anti-corruption laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended (“**FCPA**”). The FCPA makes it illegal for U.S. citizens and companies, their officers, directors, employees and agents, and any stockholders acting on their behalf, to bribe foreign officials. The FCPA also requires U.S. companies to keep accurate and complete books and records and to maintain proper internal accounting controls. The obligations of this Policy extend to all Company personnel and agents, located both within and outside the United States.

This Policy is designed to familiarize you with the FCPA. Nothing in this Policy limits the scope or requirements of the Code of Business Conduct and Ethics (“**Code of Conduct**”) or any other general management policies that have been enacted by the Company (together with the Code of Conduct, the “**Other Policies**”). This Policy builds on the Other Policies and provides additional guidance to ensure that Company personnel, and the Company’s agents and business partners, do not knowingly or unknowingly compromise Company values or violate the FCPA.

Failure to comply with the FCPA and other laws may result in civil and/or criminal fines to the Company, as well as significant harm to the Company’s reputation. Such a failure may also result in civil and criminal penalties being imposed against those individuals that are involved. Failure to comply with this Policy may also result in disciplinary action being taken by the Company.

You can find the full text of the FCPA at the DOJ’s website, <http://www.justice.gov/criminal/fraud/fcpa/>.

II. THE FCPA

The FCPA has two primary sections. The first section makes it illegal to bribe foreign officials (the anti-bribery provisions) and the second section imposes record keeping and internal accounting requirements upon publicly traded U.S. companies like the Company (the accounting provisions).

A. Anti-bribery Provisions

(i) Prohibited Payments

The FCPA’s anti-bribery provisions prohibit the Company and its directors, officers, employees, representatives, agents, business partners, certain distributors and suppliers, and any other third parties acting on behalf of the Company from offering, authorizing, promising, directing, or providing anything of value to any “foreign official” for the purpose of influencing that person to assist the Company in obtaining or retaining business or securing an improper business advantage (including in connection with obtaining project approvals, permits or entitlements).

The scope of the FCPA is vast. For example:

- You do not need to make a payment for liability to attach under the FCPA. The mere offer or promise of a payment can lead to a violation of the statute.
- The FCPA extends to payments of anything of value—not just payments of cash. There is no minimum threshold or materiality requirement for corrupt payments. Prohibited payments can take many forms, including the purchase of an official's property or services at inflated prices, entertainment, meals, gifts, charitable donations, travel expenses, loans with favorable terms, scholarships, cars or sports equipment, or anything else of value.
- The FCPA prohibits both direct and indirect payments. Indirect payments through an agent, partner, subsidiary, consultant, or any other third-party may also give rise to liability. The FCPA prohibits payments to any person while “knowing” or “having reason to know” that any part of the proceeds will be provided to or otherwise used to influence the acts of a non-U.S. official.
- The U.S. Securities and Exchange Commission and U.S. courts have made clear that an arrangement need not be of a “quid pro quo” nature to be corrupt. Any attempt to favorably influence foreign officials, even if that simply includes purchasing their good will, may be considered securing an improper advantage and a violation of the FCPA.

For examples of bribes or improper payments under the FCPA, see Section II(E) of this Policy below.

For purposes of this Policy, a “foreign official” means any officer or employee of a foreign government (i.e., other than the United States) or any department, agency, or instrumentality thereof (which includes a government-owned or government-controlled state enterprise) or of a “public international organization”, any person acting in an official capacity for or on behalf of a foreign government or government entity or of a public international organization, any foreign political party or party official, or any candidate for foreign political office. Thus, foreign officials include not only elected officials, but also consultants who hold government positions, employees of companies owned by foreign governments, political party officials and others. The term “public international organization” includes such organizations as the World Bank, the International Finance Corporation, the International Monetary Fund, and the Inter-American Development Bank. The Company’s general counsel should be contacted if there is a question as to whether an organization should be treated as a public international organization for the purpose of this Policy.

Accordingly, except as set forth in Section II(A)(ii) of this Policy, neither the Company nor any of its directors, officers, employees, representatives, agents, and business partners shall offer, authorize, promise, direct, or provide anything of value to any foreign official. Additionally, each Company employee whose duties are likely to lead to involvement in any of the areas covered by the FCPA will be requested annually to complete, sign and return an Annual Certification, in the form attached as Appendix A, to the Company’s general counsel.

(ii) Permissible Payments

(a) Facilitating Payments

The FCPA does allow certain types of payments to foreign officials under very limited circumstances. For example, the FCPA allows certain “facilitating” payments to foreign officials in order to obtain non-discretionary, routine governmental action, such as obtaining a permit to do business in a foreign country, obtaining police protection, or processing a visa, customs invoice or other governmental paper.

However, such facilitating payments cannot be made to influence any discretionary decision by a government official and must also be lawful under local laws. Additionally, such payment cannot apply to decisions by foreign officials to award or maintain business. Accordingly, under this Policy, Company

employees or agents may make facilitating payments only if the Company's general counsel has provided prior written approval.

(b) Payments for Reasonable and Bona Fide Expenses

The FCPA also permits payments for reasonable and bona fide expenses directly related to a promotion, demonstration, or explanation of a company's products and services. For example, certain reasonable, bona fide expenses incurred while promoting the Company to foreign officials, hosting a tour of foreign public officials at a Company facility or entertaining employees of a foreign state-owned firm may also be legitimate expenses under the FCPA.

However, such payments must be limited in scope. You cannot extend any invitation for travel to any government official, government employee, or political party, official, or candidate for political office, without the prior approval of the Company's general counsel. Additionally, any travel or entertainment expenses must be limited solely to those individuals necessary for the furtherance of the Company's business. You cannot pay or promise to pay any travel or entertainment expenses for spouses or guests of your invitees. Further, all travel and entertainment expenses must be accurately and adequately documented in the books and records of the company; you must not misstate the purpose or value of these expenses. Legitimate gifts, meals, and entertainment are permitted only if they are of nominal value, infrequent, not offered for an improper purpose, and must be accurately and adequately documented in the books and records of the company. All charitable donations and political contributions must be transparent and permitted under local laws and regulations. Accordingly, under this Policy, Company employees and agents should not provide gifts and entertainment to foreign officials or authorize a promotional expense or event for a foreign official except if the Company's general counsel has provided prior written approval.

(c) Lack of Defenses

For the avoidance of doubt, willful ignorance and similar bad acts by others are not valid defenses. Willfully ignoring FCPA warning signs in an attempt to avoid gaining actual knowledge of a violation is not a valid defense. Similarly, arguments that bribes or improper payments are part of the business culture in a particular country or industry, or are part of the costs of doing business in a particular country, are not valid defenses

B. Record Keeping, Accounting and Payment Practices

In addition to prohibiting improper payments, the FCPA also contains accounting provisions that impose additional record-keeping and internal control requirements on public companies like the Company. These accounting provisions do not just prohibit improper accounting of improper payments, but they also prohibit improper accounting of proper payments. Put differently, even bona fide business expenses, if improperly accounted for in the books and records of the Company, can lead to a violation of the FCPA. The Company is committed to maintaining strong internal controls to ensure that its books and records are accurate, including periodic audits.

The record-keeping provisions of the FCPA require publicly held U.S. companies such as the Company to keep their books, records and accounts in reasonable detail, accurately and such that they fairly reflect all transactions and dispositions of assets. Thus, the FCPA prohibits the mischaracterization or omission of any transaction on a company's books or any failure to maintain proper accounting controls that result in such a mischaracterization or omission. Keeping detailed, accurate descriptions of all payments and expenses is crucial for this component of the FCPA.

Accordingly, Company personnel must follow applicable standards, principles, laws and Company practices for accounting and financial reporting. In particular, employees must be timely and complete when preparing all reports and records required by management. In connection with dealings with public officials and with other international transactions explained in this Policy, personnel must obtain all required approvals from the Company's general counsel and, when appropriate, from foreign governmental entities. Prior to paying or authorizing a payment to a foreign official, Company employees or agents should be sure that no part of such payment is to be made for any purpose other than that to be fully and accurately described in the Company's books and records. No undisclosed or unrecorded accounts of the Company are to be established for any purpose. False or artificial entries are not to be made in the books and records of the Company for any reason. Finally, personal funds must not be used to accomplish what is otherwise prohibited by this Policy.

C. Due Diligence and Selection of Representatives and Business Partners

The Company is dedicated to the dynamic and profitable expansion of its operations worldwide. The Company will compete for all business opportunities vigorously, fairly, ethically and legally and will negotiate contracts in a fair and open manner. Regardless of any pressure exerted by foreign officials, the Company will conduct business using only legal and ethical means.

This practice of fairness and professionalism must extend to the activities of the Company's agents, consultants, representatives and business partners. The Company should be careful to avoid situations involving third parties that might lead to a violation of the FCPA. It is much better not to hire an agent or consultant, for example, than to conduct business through the use of a third party's questionable payments. Therefore, prior to entering into an agreement with any agent, consultant, joint venture partner or other representative who will act on behalf of the Company with regard to foreign governments on international business development or retention, the Company will perform proper and appropriate FCPA-related due diligence and obtain from the third party certain assurances of compliance.

D. Penalties

The FCPA imposes criminal liability on both individuals and corporations. For individuals who violate the anti-bribery provisions of the FCPA, criminal penalties include fines of up to \$100,000, or, alternatively, twice the amount of the gross pecuniary gain resulting from the improper payment (pursuant to the Alternative Fines Act), imprisonment of up to five years, or both. The Company may not reimburse any fine imposed on an individual. Corporations may be fined up to \$2,000,000, or, alternatively, twice their pecuniary gain, for criminal violations of the FCPA's anti-bribery provisions. In addition to criminal penalties, a civil penalty of up to \$10,000 may be imposed upon a company that violates the anti-bribery provisions, and against any officer, director, employee or agent of a company, or a stockholder acting on behalf of a company who violates the anti-bribery provisions of the FCPA. The U.S. Department of Justice and the U.S. Securities Exchange Commission may also obtain injunctions to prevent FCPA violations.

Individuals who willfully violate the accounting provisions of the FCPA may be fined up to \$5,000,000, or, alternatively, twice the amount of the gross pecuniary gain resulting from the improper payment (pursuant to the Alternative Fines Act), imprisoned up to twenty years, or both. A corporation may be fined up to \$25,000,000, or, alternatively, twice the amount of the gross pecuniary gain resulting from the improper payment (pursuant to the Alternative Fines Act). In addition to criminal penalties, a civil penalty of up to \$500,000 may be imposed upon a company that violates the anti-bribery provisions, and a civil penalty of up to \$100,000 may be imposed upon any officer, director, employee or agent of a company, or a stockholder acting on behalf of a company who violates the accounting provisions of the FCPA.

In addition to these penalties, a person or company found in violation of the FCPA may be precluded from doing business with the U.S. government. Other penalties include denial of export licenses and debarment from programs under the Commodity Futures Trading Commission and the Overseas Private Investment Corporation. Violating the FCPA will also result in discipline by the Company, up to and including termination of employment.

E. Examples of FCPA Violations and Red Flags

The following are examples of bribes or improper payments under the FCPA:

- making payments or giving something of value to a government official in order to receive or renew a license or permit or to obtain an approval that the Company needs to continue business;
- making payments or giving something of value to a government official that is intended to influence implementation of a law that is beneficial to the Company's business or to influence the repeal of a law that is adverse to the Company's business;
- making payments or giving something of value to a government official in exchange for overlooking or forgiving a regulatory compliance mistake or violation;
- making payments or giving something of value to government officials or political parties in connection with transactions or proposed transactions related to the Company's products or services; or
- authorizing or making payments to government officials intended to influence acts and decisions that would help the Company to win a deal or prevent the Company from losing a deal.

Below are some "red flags" that may require further inquiry to ensure that improper payments are not being directed to government officials:

- requests for commissions that are unusually large in relation to the work to be performed;
- references by a local agent to "special accommodations" that have to be made with local officials or statements that you should not ask too many questions about how business gets done in the local jurisdiction;
- hesitation on the part of an agent or consultant to provide the details of the services to be performed and statements that he or she will "do what it takes to get the deal done" in the local jurisdiction;
- requests for "up front" payments when such payments are not expressly required by a written business agreement;
- requests for payment to an offshore bank account, in cash, in a different name, to a shell corporation, to an account in a different country, through private payment procedures, or to an unrelated third-party;
- refusal by a prospective agent to commit in writing to comply with the Company's compliance policies;
- refusal to submit to or respond to the Company's due diligence requests without a reasonable explanation;
- refusal by a consultant to provide written reports of its activities;
- a history of illegal or questionable behavior by a prospective consultant;
- family or business relationships between the Company's agent and government officials;
- proposals for consulting or lobbying contracts by persons who claim to have "special arrangements" with government officials;
- requests for commission payments prior to announcement of an award decision;
- requests by government officials that specific parties be engaged to provide services or materials to the Company;

- requests that the Company bid for services to be made through a specific representative or partner; or
- demands that payments only be made in cash.

Neither the lists above are an exclusive list of issues that may arise under the FCPA. In the event that you are faced with a situation that is similar to any of the examples above, you should immediately contact the Company's general counsel to ensure compliance with the FCPA.

III. SEEKING GUIDANCE ON FCPA ISSUES

The Company's management has appointed Alexander Korff, the Company's general counsel, to serve as the individual that is responsible for implementing and providing guidance and interpretation on matters related to the FCPA and the Other Policies in general.

Company personnel with questions about the FCPA or who are uncertain of the requirements of this Policy are obligated to seek guidance from their superiors and/or the general counsel or his designated representative.

The general counsel also has responsibility for investigating, or overseeing the investigation of, any information or allegations concerning possible FCPA violations or other unethical or improper business conduct. The general counsel will have authority to retain and consult with outside legal counsel to assist in carrying out his/her duties.

It is understood that Company personnel will often go to their immediate supervisor to seek guidance on ethics-related issues or report potential violations of the Code of Conduct, this Policy, the Other Policies, or other rules and regulations. However, there may be situations in which Company personnel do not wish to raise such issues with their supervisors. Such situations include instances where the conduct in question involves a supervisor, where the employee has reported the conduct previously and does not believe that the supervisor has dealt with it properly, or where the employee does not feel that the matter can be appropriately discussed with his or her supervisor. In these types of situations, Company personnel should raise the matter with the general counsel, either directly or anonymously.

Note: Each Company officer, director, or employee has an independent and continuing obligation to ensure compliance with the FCPA. Simply reporting potential issues to a supervisor does not absolve you from all responsibility relating to improper conduct.

IV. REPORTING SUSPECTED VIOLATIONS OF THE FCPA OR THIS POLICY

The Company will try to prevent the disclosure of the identity of any employee who reports a suspected violation of the FCPA or this Policy without his or her permission, unless disclosure is unavoidable during an investigation. An employee should report any suspected noncompliance with this Policy to the general counsel. The general counsel can be reached per email at; teumcompliance@gmail.com

A complaint about a suspected violation should be factual rather than speculative or conclusory, and should contain as much specific information as possible to allow for proper assessment. The complaint describing an alleged violation of the FCPA or this Policy should set forth all of the information that the employee knows regarding the allegation or concern.

V. EMPLOYEE OBLIGATIONS AND CONSEQUENCES

This FCPA Policy imposes several obligations on Company employees. These obligations will be enforced by the standard disciplinary measures available to the Company.

A. Reporting Obligations

Employees must immediately report to the general counsel any suspected or actual violation of the FCPA by the Company or any of its officers, directors, or employees, or any other third-party such as agents, business partners, consultants, or others acting on the Company's behalf. Once an employee has made a report, the employee has an obligation to update the report as new information comes into his or her possession.

Under no circumstances shall the reporting of any such information or possible violation serve as a basis for any retaliatory actions to be taken against any employee making the report.

B. Training Obligations

The Company is committed to maintaining a robust FCPA compliance program and a business environment that places the highest level of emphasis on compliance and ethical business practices. In furtherance of these goals, the Company will provide regular trainings and will make information regarding FCPA compliance available to all employees on a routine basis. All employees have an obligation to attend such training programs, review training materials, and keep themselves knowledgeable about FCPA compliance. The mere fact that you have previously attended FCPA trainings does not excuse attendance at future trainings that you are asked to attend.

C. Third-party and Due Diligence Obligations

All Company employees have an obligation to ensure that any third-party agents or business partners with whom you seek to establish a relationship on behalf of the Company are properly investigated to ensure compliance with the FCPA and this Policy. One step to ensure compliance is to conduct due diligence on every agent or partner who conducts business in any foreign jurisdiction before entering into any third-party relationship, contract, or agreement.

The Company's general counsel can provide you with materials regarding proper due diligence and can direct you to individuals who can assist in performing this due diligence. If you have concerns about the type and scope of diligence required by a particular situation, it is your duty and responsibility to raise any questions or concerns with the Ethics Compliance Officer.

D. Employee Disciplinary Action

If an employee violates the FCPA or any provision of this Policy, or fails to cooperate in implementing this Policy, the employee will be subject to disciplinary action, which may include, but not be limited to, suspension, demotion, reduction in pay, reprimand, and termination.

Examples of other actions or omissions that will subject an employee to disciplinary action include, but are not limited to:

- A breach of the FCPA or this Policy either directly or through assistance to others;
- A failure to report a suspected or actual violation of the FCPA;
- Any attempt to cover-up or hide an FCPA violation;

- A lack of attention or diligence on the part of an employee that leads to a violation of the FCPA; or
- Any direct or indirect retaliation against any employee who reports a violation of this Policy.

APPENDIX A

CERTIFICATION OF ADHERENCE TO FCPA COMPLIANCE POLICY

The undersigned certifies to Pareteum Corporation (together with its subsidiaries and affiliates, the “**Company**”) that:

1. I have received and reviewed a copy of the Company’s FCPA Compliance Policy;
2. I fully understand and have been provided the opportunity to ask questions regarding the FCPA and the Company’s FCPA Compliance Policy; and
3. I commit to act in compliance with the FCPA and the FCPA Compliance Policy.

Print name / title: _____

Signature: _____

Date: _____