

Pareteum Corporation

WHISTLEBLOWER PROCEDURE

AS AMENDED

(As approved by the Board of Directors on February 9, 2015)

The Board of Directors (“the Board”) of Pareteum Corporation, formerly Elephant Talk Communications Corp., (“the Company”) has approved the Whistleblower Procedure. The Company considers the good reputation and integrity of its organization as key requirements to operate successfully in the telecom business around the world.

The Company’s Whistleblower Procedure provides the opportunity for every employee (under employees have to be understand all these persons who have a contractual relationship with the Company or its affiliates to deliver services in person) of the Company to make his or her complaint, including anonymous complaints, to the Reporting Officer in order for the responsible management to take appropriate and adequate action in case of alleged breaches of internal or external regulation or other irregularities (including those related to accounting, internal accounting controls and auditing matters).

The Whistleblower Procedure applies to all Company’s entities. The management of the Company’s entities is responsible for the implementation of this procedure and should inform all its employees of this procedure. The Company’s General Counsel, Mr. Alexander Korff shall be the Compliance Officer of Whistleblower Procedure and be responsible for the administration and maintenance of this procedure.

General

- Complaints may refer to any possible breach by a Company employee of an external or internal regulation as stated in the Company’s Code of Conduct, or violations of federal, state or local laws including the U.S. Foreign Corruption Practices Act (the “FCPA”) any procedure regarding accounting or auditing matters or financial reporting, including alleged irregularities of a general, operational and financial nature in the company;
- If the Company’s Procedure would conflict with any applicable local law, such local law shall prevail;
- The management of Company’s entities shall ensure that the Whistleblower Procedure is available and known to all its employees;
- The management of Company’s entities shall appoint a designated person as a “Reporting Officer”, unless the management decides otherwise and; till otherwise communicated; the Reporting Officer for all entities will be the Compliance Officer of the Company. Complaints can be reported to the Compliance Officer via an email to teumcompliance@gmail.com
- The reported complaints will be handled in a confidential manner and without fear that the complaints might lead to retaliation or disciplinary action.

In case someone would not be comfortable to report in such a way or in case the matter involves the Compliance Officer, this person can instead take contact with the Chairman of the Audit Committee

of the Board of Directors of the Company and

- The Reporting Officer shall assist management in implementing the procedure within the entity and is, moreover, responsible for the receipt of complaints and the preliminary investigation.

Complaints and incidents:

- A complaint can be reported to the Reporting Officer of the Company's entity the whistleblower is working for. If the involved Company's entity is not the entity the whistleblower is working for, the complaint can be reported to the Reporting Officer of the involved Company's entity;
- A complaint can be reported anonymously, while we prefer that you identify yourself when reporting violations so that we may follow up with you, as necessary, for additional information;
- The Reporting Officer of the involved Company's entity shall perform a preliminary investigation, as soon as a complaint by a whistleblower has been received;
- The Reporting Officer shall discuss a reported complaint with the management of the entity involved;
- The Reporting Officer shall turn to the next (higher) level of management if management itself is the object of complaint;
- The whistleblower shall report his complaint to the Reporting Officer of the next (higher) level if the compliance officer itself is object of complaint or if the whistleblower is unsatisfied with the progress and/or the outcome of the investigation; and
- The Reporting Officer shall advise the management to close the complaint if his investigation shows no justification for the complaint.

If the preliminary investigation has revealed serious indications of possible violations of internal or external regulation or other irregularities management shall report the complaint to Company's Legal Officer and/or Legal Counsel, and the Company's Compliance Officer will decide how the investigation is to be carried out after consultation with the management of the entity involved or the management of the next (higher) level if the management of the entity involved is part of the investigation. The investigation and the settlement of such an incident must be carried out according to the Company's regular investigation policies. The whistleblower will receive general information on the progress of the investigation (and its outcome) unless the whistleblower prefers not to be informed or unless this would be detrimental to the whistleblower or the investigation or unless there are other sound reasons not to inform the whistleblower. The Reporting Officer is responsible for informing the whistleblower if the complaint has been settled or closed.

Reports to the Audit Committee

The Reporting Officer shall report the results of the investigations and settlement of all complaints to the Reporting Officer of the next higher level. The Reporting Officer of the Company will report the aggregate of such reports to the Audit Committee of the Company. These reports shall be made on a quarterly basis and shall not disclose the whistleblowers' names.

Reports to the Chairman of the Board

Reporting Officer shall report any complaints regarding the members of the Board of the Company to the Reporting Officer of the Company. The latter will report the complaint to the chairman of the Board of the Company. If the chairman of the Board of the Company is object of complaint the Reporting Officer will report to the deputy-chairman of the Board of the Company or in case of his absence the most senior member (in terms of years for the Company) of the Board of the Company.

Records of all activities

The Reporting Officer keeps record of all his activities, reports and information received. All reports made by the Reporting Officer will be anonymous, except for those reports that are retained in his own file.

Requirements Company's Procedure

Easy access

All employees of the Company must have easy access to the Reporting Officer. The address, e-mail address and telephone number of the Reporting Officer must be published and communicated to all employees of the Company (e.g. on the Company's website). Persons wishing to report verbally should be able to visit the Reporting Officer in confidence. External meeting places should be considered for this purpose, if required. To encourage the whistleblower to report without fear of retaliation, the management must realize a possibility for the whistleblower to report anonymously. Management must ensure that when using the facilitated resource for anonymous complaints, confidentiality of the complaint and the whistleblower is safeguarded.

Retaliation

Whistleblowers acting according to the Whistleblower Procedure can report their complaint without jeopardizing their relationship under law of employment. The Board ensures that whistleblowers who respect this procedure are able to report their complaint without jeopardizing their relationship under law of employment as a result of their whistle blowing.

Retaliation as a result of any such action is to be considered a serious breach of the Whistleblower Procedure in which case appropriate action shall be taken to safeguard the relationship under law of employment of the whistleblower.

Anonymity

The Reporting Officer shall never reveal the name of the whistleblower unless required by law. If the Reporting Officer at some point of time is ordered and required by law to report the name of the whistleblower, the Reporting Officer will inform the whistleblower immediately and before reporting the name of the whistleblower, unless the Reporting Officer has lawful reasons not to do so.