

**LMP AUTOMOTIVE HOLDINGS, INC.  
CODE OF BUSINESS CONDUCT AND ETHICS**

**Adopted January 15, 2018**

**1. Introduction**

This Code of Business Conduct and Ethics (the “Code”) of LMP Automotive Holdings, Inc. (the “Company”) covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all directors, officers and employees (each a “Covered Person”) of the Company, including any of its subsidiaries. All Covered Persons of the Company must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. The Code should also be provided to and followed by the Company’s agents and representatives, including service providers, advisors and consultants.

If you violate the standards in the Code, you may be subject to disciplinary action, up to and including termination of employment. **If you are in a situation that you believe may violate or lead to a violation of the Code, contact the Chief Executive Officer, the Chairman of the Audit Committee, the Chairman of the Nominating and Governance Committee, our internal counsel (“Internal Counsel”), or, if there is no Internal Counsel, our outside counsel, Ruta Soulios & Stratis LLP Attn: Joseph A. Ruta (“Outside Counsel”).**

This Code supersedes all other codes of conduct, policies, procedures, instructions, practices, rules or written or verbal representations to the extent that they are inconsistent with the Code. If any laws, rule or regulations (“Laws”) conflict with a policy in the Code, you must comply with the Laws. If you have any questions about these conflicts, you should ask your supervisor how to handle the situation. We are committed to continuously reviewing and updating our policies and procedures. The Code, therefore, is subject to modification by the Board of Directors of the Company (the “Board”) or a committee thereof.

Nothing in this Code, in any of the Company policies and procedures, or in other related communications (verbal or written) creates or implies an employment contract or term of employment or appointment for any person.

**2. Purpose**

The Code seeks to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- The highest levels of business ethics and personal integrity in all types of situations and transactions.
- Full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the “SEC”) and in other public communications made by the Company;
- Compliance with applicable Laws; and
- The prompt internal reporting to an appropriate person or persons identified in the Code of violations of the Code; and accountability for adherence to the Code.

### **3. Compliance with Applicable Laws, Rules and Regulations**

Obeying the Laws is the foundation on which the Company's ethical standards are built. You must comply with applicable Laws. Although you are not expected to know the details of these Laws, it is important to know enough to determine when to seek advice from supervisors or other appropriate personnel.

### **4. Compliance at the Company**

The Company has established a structured compliance system to support legal and ethical actions throughout the Company. Compliance with this policy will be led by the Chief Financial Officer and the Nominating and Governance Committee, but the responsibility for compliance is shared by all Covered Persons. The Chief Financial Officer shall be responsible for overseeing the Company's compliance system, including maintaining current policies, conducting training, auditing, monitoring, testing, communication, investigations and enforcement. The Chief Financial Officer shall also provide oversight for compliance strategy and keep the Board and the Nominating and Governance Committee informed of significant compliance issues, risks and trends.

### **5. Conflicts of Interest**

A "conflict of interest" exists when a person's private interests interfere or conflict in any way with the interests of the Company, or impair, or could be perceived to impair a person's business judgment. Decisions should be made strictly on the basis of the Company's best interests, without regard to personal concerns. You should avoid situations that present actual or potential conflicts of interest, either real or perceived, and should not engage in activities that would make it difficult or appear to make it difficult for you to perform your work objectively and effectively. Examples of when a conflict of interest or potential conflict of interest may arise include but are not limited to:

- When a Covered Person takes actions or has interests that may make it difficult to perform his or her work objectively and effectively.
- When a Covered Person, or a member of his or her family, receives improper personal benefits as a result of his or her position with the Company.
- When a Covered Person works simultaneously for a competitor or, except on our behalf, a customer or supplier. You are not allowed to work for a competitor in any capacity.
- When a Covered Person serves as a member of the Board or advisory board of any company that competes with the Company.
- When a Covered Person invests in a customer, supplier, developer or competitor of the Company. In deciding whether to make such an investment, you should consider the size and nature of the investment, your ability to influence decisions of the Company or of such competitor, your access to Confidential Information (as defined below) of the Company or of the other company, and the nature of the relationship between the Company and such other company.
- When a Covered Person conducts Company business with a relative or significant other, or with a business with which a relative or significant other is associated in any significant role. Relatives include spouse, sister, brother, daughter, son, mother, father, grandparents, aunts, uncles, nieces, nephews, cousins, step relationships and in-laws. Significant others include persons living in a spousal or familial fashion (including same sex) with a Covered Person.

Conflicts of interest should be avoided and in all cases must promptly be disclosed fully to the Chief Executive Officer or the Chairman of the Nominating and Governance Committee. In the case of

any director, the Chief Executive Officer or any other executive officer, disclosure must be made to the Chairman of the Nominating and Governance Committee. Following such disclosure, the matter shall be considered by the full Board in order to determine what, if any, corrective action is required.

In the case of any other employee, disclosure must be made to the Chief Executive Officer, the Internal Counsel or the Outside Counsel. Following such disclosure, the matter shall be considered by the Chief Executive Officer or shall be considered pursuant to guidelines approved by the Chief Executive Officer in order to determine what, if any, corrective action is required. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management or the Chief Executive Officer, the Internal Counsel, or Outside Counsel. If you become aware of a conflict or potential conflict, you should bring it to the attention of your supervisor or other appropriate personnel or consult the procedures described in Section 24 of this Code.

## 6. Public Disclosure of Information

The federal securities Laws require the Company to disclose certain information in various reports that the Company must file with or submit to the SEC. In addition, from time to time, the Company makes other public communications, such as issuing press releases.

The Company expects all Covered Persons who are involved in the preparation of SEC reports or other public documents to ensure that the information disclosed in those documents is complete, fair, accurate, timely and understandable.

To the extent that you reasonably believe that questionable accounting or auditing conduct or practices have occurred or are occurring, you should report those concerns to the Chairman of the Audit Committee.

## 7. Insider Trading

You are not permitted to use or share Confidential Information (as defined below) for stock trading purposes or for any other purpose, except the conduct of our business. All non-public information about the Company should be considered Confidential Information until it has been adequately disclosed to the public. Also, you may not trade in the securities of other companies about which you learn “material, non-public information” (as defined below) through the course of your employment with, or service to, the Company. “**Confidential information**” means any confidential or proprietary information that belongs to the Company and/or its subsidiaries, or any of their clients or suppliers, including without limitation, technical data, market data, trade secrets, trademarks, service marks, copyrights, other intellectual property, know-how, research, business plans, product information, projects, services, client lists and information, client preferences, client transactions, supplier lists and information, supplier rates, software, hardware, technology, inventions, developments, processes, formulas, designs, drawings, marketing methods and strategies, pricing strategies, sales methods, financial information, revenue figures, account information, credit information, financing arrangements and other information. “Confidential Information” does not include any of the foregoing information that has entered the public domain other than by a breach of this Agreement. “**Material, non-public information**” includes information that is not available to the public at large that could affect the market price of the Company’s securities or another company’s securities and that a reasonable investor would consider important in deciding whether to buy, sell or hold the securities. To use material non-public information for personal financial benefit or to “tip” others who might make an investment decision on the basis of this information is not only unethical, but also illegal, and could result in criminal prosecution, in addition to the termination of your employment. In order to assist with compliance with Laws against insider trading, the Company will adopt an Insider Trading Policy. A copy of this policy will be distributed to every Covered Person

and included within the Employee Handbook. If you have any questions regarding the Company's Insider Trading Policy or as to whether information is material or has been adequately disclosed, please consult the Outside Counsel [or the Internal Counsel].

## **8. Corporate Opportunities**

You are prohibited from taking for yourself opportunities that are discovered through the use of Company property, information or position without the informed prior written consent of the Board. You may not use Company property or information obtained through your position with the Company for improper personal gain, and you may not compete with the Company directly or indirectly. Furthermore, you owe a duty to the Company to advance its legitimate interests when such an opportunity arises.

## **9. Competition and Fair Dealing**

The Company is committed to outperforming its competition fairly and honestly. Misappropriating proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited. You should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers and competitors and their employees.

## **10. Antitrust and Competition Laws**

The Company's policy is to comply fully with both the letter and spirit of antitrust and competition Laws. One general concept is that all companies should compete individually rather than enter into agreements with others to restrict competition. In order to avoid creating even the appearance of improper agreements, the Company prohibits:

- discussions or other contacts with competitors regarding price fixing, stabilization, or discrimination;
- discussions or other contacts with suppliers and customers about issues that could unfairly restrict trade, such as excluding competitors from the marketplace;
- discussions or other contacts with competitors regarding territories or markets in which competitive products will be sold, allocation of markets or customers, or limitations on the sale of products; and
- discussions or other contacts with others to boycott customers or suppliers.

Another general concept is that companies should not engage in unfair competitive practices. Each Covered Person will deal fairly and honestly with customers, suppliers, partners, and competitors. No one will engage in any unfair dealing, which could include, but would not be limited to, the following: misrepresenting (affirmatively or by omission) material facts, abusing privileged or confidential information, obtaining market data and other information from unauthorized sources, and making inaccurate or malicious statements about competitors or competitive products.

Many countries have antitrust or competition Laws that vary significantly from the Laws in the United States. Antitrust and competition Laws in other countries may regulate, among other things, distribution agreements; patent, copyright, and trademark licenses; territorial and other restrictions on resellers and licensees; rebates and discounts to customers; refusals to deal; and licensing and pricing policies generally. All customers within the same competitive market must generally be treated on a fair and equitable basis with respect to prices, terms, and trade promotion. Violation of antitrust and competition laws carry stiff financial penalties and sometimes jail sentences. Because the Laws are

complex, please consult the Outside Counsel or the Internal Counsel before acting if you have any questions.

## **11. Gifts**

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with those with whom the Company does business. No gift or entertainment should ever be offered, given, provided or accepted by you unless it:

- is not a cash gift,
- is consistent with customary business practices,
- is not excessive in value,
- cannot be construed as a bribe or payoff, and
- does not violate any Laws.

You should take particular care to avoid accepting any favor or anything of value which could reasonably be interpreted as influencing your judgment in performing your duties for the Company. Please discuss with your supervisors any gifts or proposed gifts that you are not certain are appropriate for receipt or for giving.

## **12. Discrimination and Harassment**

The diversity of the Company's employees is a tremendous asset. The Company is firmly committed to providing equal opportunity in all aspects of employment (including without limitation hiring, promoting and terminating) and will not tolerate any illegal discrimination or harassment of any kind. Examples of such behavior include derogatory comments based on racial, gender, cultural or ethnic characteristics and unwelcome sexual advances.

## **13. Health and Safety**

The Company strives to provide its employees with a safe and healthy work environment. You are responsible for helping to maintain a safe and healthy workplace for all employees by following safety and health rules and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The abuse of alcohol or illegal drugs in the workplace will not be tolerated and constitutes a violation of Company policy.

## **14. Record-Keeping**

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions and to comply with the law. For example, employees who must report their hours worked should only report the true and actual number of hours worked (whether for purposes of individual pay or for purposes of reporting such information to customers). The Company also requires each Covered Person to disclose any transaction or arrangement among such individual or any family member or affiliated entity of such individual, on the one hand, and any other Covered Person or any family member or affiliated entity of such other individual, on the other hand, that in any way relates to or arises out of such individual's professional or working relationship with the Company.

Many employees regularly use business expense accounts, which must be documented and recorded accurately in accordance with the Company's policies. If you are not sure whether you may seek reimbursement for a certain expense, ask your supervisor or the Chief Financial Officer.

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless expressly permitted by applicable law or regulation and the Chief Financial Officer is informed by you in writing of the maintenance of such funds or assets.

Business records and communications (including internal or external e-mails) very often become public, and you should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations of people and companies that can be misunderstood or misconstrued. This policy applies equally to e-mail, internal memos and formal reports. You should always remember that writings or images on your computer screen, screen savers, and pictures or videos you retain or view on your computer screen must comply with the Company's policies including, without limitation, harassment and discrimination. Records should always be retained or destroyed according to the Company's record retention policies. In accordance with those policies, in the event of litigation or governmental investigation, you must not delete or alter any e-mail that is directly or indirectly related to the subject of the litigation or investigation, or otherwise take any action that could be construed as an effort to obstruct the litigation or investigation. A director or employee who is found to have violated this policy could be subject to criminal penalties, among other things.

## **15. Document Retention**

The Company has records retention and disposal procedures to ensure that Company records are maintained, stored, and, when appropriate, destroyed in accordance with the Company needs and in compliance with applicable legal, regulatory, environmental, tax, employment and trade requirements. You are expected to be familiar with the specific requirements applicable to your position. Regular document destruction must stop immediately if you are aware of a legal request for such documents or if the Legal Department has issued a document hold notice. If an employee is unsure whether a document has been placed under a legal hold, such employee should preserve and protect that document while the Internal Counsel is contacted.

## **16. Confidentiality**

You must maintain the confidentiality of Confidential Information entrusted to you by the Company, except when disclosure is authorized by the Company's established written policies or its Chief Executive Officer or required by laws or regulations. Confidential Information includes all non-public information that might be of use to competitors, or harmful to the Company, if disclosed, and information that suppliers and other business partners have entrusted to us. The obligation to preserve Confidential Information continues even after employment ends. In connection with this obligation, every employee is required to execute a confidentiality and proprietary information agreement when he or she began his or her employment with the Company. Please contact the Chief Financial Officer if you need a copy of your signed confidentiality and proprietary information agreement or if you do not recall signing such an agreement at your hiring.

## **17. Protection and Proper Use of the Company's Assets**

You should endeavor to protect the Company's assets and ensure their efficient use. Any suspected incident of fraud or theft should immediately be reported for investigation. Company equipment should not be used for non-Company business, though limited incidental personal use is permitted.

Your obligation to protect the Company's assets includes protecting its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business or marketing plans, scientific and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of such information would violate the Company's policy and could also be illegal and result in civil or even criminal penalties.

## **18. Bribery and Corruption**

Most countries have laws that forbid the making, offering, or promise of any payment or anything of value (directly or indirectly) to a government official, particularly when the payment is intended to influence an official act or decision to award or retain business. Most commonly, these rules apply to our interactions with government agencies that approve and regulate our products. In addition, the U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. Accordingly, no payment of money, gifts, services, entertainment or anything of value is to be offered or made available in any amount, directly or indirectly, for the purpose of influencing an official act or obtaining or retaining business, to any federal, state, local or foreign government official, or employee, candidate for public office, or political party.

The Company also prohibits "commercial bribery" that refers to the furnishing of something of value to an intermediary without his or her supervisor's knowledge, with the intent to influence a third party's commercial conduct. Accordingly, the Company prohibits any employee, consultant, middleman, or other agent acting on such individual's behalf or on behalf of the Company from directly or indirectly engaging in commercial bribery.

The promise, offer or delivery of a gift, favor or other gratuity in violation of these rules may not only violate the Company policy, but could also be a criminal offense. The Company's Outside Counsel or Internal Counsel can provide guidance to you in this area.

## **19. Trade Issues**

In a global marketplace, our contact with various parties around the world increases daily. The U.S. and other countries where the Company's products may be manufactured or sold have laws that restrict or prohibit doing business with certain countries and parties. Likewise, while most countries regulate international trade (imports and exports generally), many countries also restrict or prohibit transactions involving certain products and technology. The U.S. also has laws that regulate how companies must respond to boycotts enforced by one set of countries against another. Employees responsible for shipping or receiving goods, technology or services must be aware of import, export, anti-boycott, and other trade laws and how they apply. Employees must be alert to requests for any such information as they are common in documents such as letters of credit and shipping documents. Not only is furnishing the information illegal, but U.S. law requires the Company to report the mere request for such information. Please report any such requests to the Outside Counsel or the Internal Counsel.

## **20. Government Requests for Information**

The Company will cooperate fully with any government investigation. From time to time, government regulators may contact employees directly in the course of an investigation. You are free to decide on your own whether you wish to speak with a government investigator, and although we request that you inform the Outside Counsel and/or the Internal Counsel if you are contacted by one, you are not required to do so. Any information you convey to a government agency must be truthful and accurate. No Covered Person will be retaliated against for conveying truthful and accurate information to a government agency, or for responding in good faith to an inquiry from a government agency without informing the Outside Counsel and/or the Internal Counsel. The Company urges you, before sharing any information with a person who represents himself or herself to be affiliated with a government agency, to ensure and confirm that the person in fact holds an official government capacity.

## **21. Waivers of the Code**

Waivers of the Code may only be granted by the Chief Executive Officer; provided, however, that any waiver of the Code for executive officers or directors may be granted only by the Board or the Nominating and Governance Committee of the Board. Any such waiver of the Code for executive officers or directors, and the reasons for such waiver, will be disclosed in the Company's public filings, as required by law or securities exchange regulations.

## **22. Reporting Illegal or Unethical Behavior**

You are encouraged to talk to supervisors or other appropriate personnel about observed illegal or unethical behavior or when in doubt about the best course of action in a particular situation. Any employee who suspects a violation of this Code, or any law or regulation, should bring the matter to the attention of the Chair of the Audit Committee, the Outside Counsel, or the Internal Counsel as soon as possible. It is the policy of the Company not to allow retaliation for reports of misconduct by others made in good faith by employees. You are required by Company policy to cooperate in internal investigations of misconduct.

You may, on an anonymous basis, submit a good-faith concern regarding questionable accounting or auditing matters without fear of dismissal or retaliation of any kind by contacting the Chair of the Audit Committee. Contact information is set forth in the Employee Handbook, on the Company's web site, and in the Company's proxy statements filed with the SEC.

## **23. Review of Code**

The Board or the Nominating and Governance Committee shall at least annually review and reassess this Code and submit any recommended changes to the Board for its consideration.

## **24. Upholding the Standards - Our Commitment and Yours**

We must all work to ensure prompt and consistent action against violations of the Code. However, in some situations it is difficult to know if a violation has occurred. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? These questions will enable you to focus on the specific question you are

faced with and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.

- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question and will appreciate being brought into the decision-making process. It is your supervisor's responsibility to help solve problems.
- Seek help from any resources provided by the Company.

In the rare case where it may not be appropriate to discuss an issue with your supervisor or where you do not feel comfortable approaching your supervisor with your question, discuss it with the Chair of the Nominating and Governance Committee, the Chair of the Audit Committee, or with the Outside Counsel or the Internal Counsel.

You may report legal or ethical violations on a confidential or anonymous basis and without fear of retaliation to the email address of any of these persons. These email addresses are included in the Employee Handbook. If your situation requires that your identity be kept secret, your anonymity will be protected to the greatest extent possible. In this regard, the Company encourages you to draft and send such an emailed report using a non-Company computer, to assist in the protection of your anonymity. The Company does not permit retaliation of any kind against employees for good-faith reports of ethical violations and you should never feel pressured to violate a law or policy.

Always ask first, act later. If you are unsure of what to do in any situation, seek guidance.