

# **OmniComm Systems, Inc.**

## **ETHICS AND COMPLIANCE HOTLINE POLICY**

The upholding of a strong sense of ethics and integrity is of the highest importance to OmniComm Systems, Inc. (the "Company") and critical to our success in the business environment. In order to more fully express our commitment to running our business with the highest ethical standards we established our Company's Code of Business Conduct and Ethics ("Code of Ethics") during 2002. The Code of Ethics embodies the Company's commitment to such ethical principles and sets forth the responsibilities of the Company to its shareholders, employees, customers, lenders and other stakeholders.

### **REGULATORY BACKGROUND**

Section 301 of Sarbanes-Oxley Act of 2002 requires that the audit committee of our Board of Directors establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, including procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

### **FINANCIAL REPORTING RESPONSIBILITIES**

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission and other relevant regulatory authorities be accurate and timely. Hence, all Company personnel are obligated to provide information to ensure that the Company's publicly filed documents are complete and accurate. All Company personnel must take this responsibility seriously and provide prompt and accurate answers and responses to inquiries related to the Company's public disclosure requirements.

The President and Chief Financial Officer of the Company have the ultimate responsibilities of ensuring the integrity of the filings and disclosure made by the Company as required by the rules and regulations of the Securities and Exchange Commission and other relevant regulatory authorities. In the performance of their duties relating to the Company's public disclosure obligations, the President, Chief Financial Officer and all Company personnel must:

- Act with honesty and integrity;
- Provide information that is accurate, complete, objective, fair and timely;
- Comply with rules and regulations of federal, state, provincial and local governments and other relevant public and private regulatory authorities;
- Act in good faith with due care, competence and due diligence;
- Respect the confidentiality of information acquired in the course of the performance of one's duties;
- Promote ethical and proper behavior in the work environment; and
- Report to the Chairman of the Audit Committee any conduct that the individual believes to be a violation of law of the Company's Code of Business Conduct and Ethics.

## **DUTY TO REPORT INAPPROPRIATE AND IRREGULAR CONDUCT**

All employees, and particularly managers and/or supervisors, have a responsibility for maintaining financial integrity within the Company, consistent with generally accepted accounting principles, and federal, provincial and state securities laws. Any employee who becomes aware of any incidents involving financial or accounting manipulation or other irregularities, whether by witnessing the incident or being told of it, must report it to his or her immediate supervisor or to the Company's President or Chief Financial Officer; provided, however, that the incident must be reported to any member of the Company's Board of Directors if it involves an alleged breach of the Company's Code of Business Conduct and Ethics by the President or Chief Financial Officer. Any failure to report such inappropriate or irregular conduct of others shall be treated as a severe disciplinary matter. It is against Company policy to retaliate against any individual who reports in good faith the violation or potential violation of the Company's Code of Business Conduct and Ethics of another.

## **COMPLIANCE PROGRAM**

*Access to Information:* The Board of Directors encourages the presentation at meetings by managers who can provide additional insight into matters being discussed. The Company's executive management will afford each member of the Board of Directors full access to the Company's records, information, employees, outside auditors and outside counsel.

*Committee Functions:* The Board of Directors has previously adopted an Audit Committee Charter for the Audit Committee which provides the structure and guiding principles of such committees. The full authority and responsibilities of each committee are fixed by resolution of the full Board of Directors and the Audit Committee Charter. The following is a brief summary of the authority of the Audit Committee.

*Audit Committee.* The Audit Committee of the Board of Directors is responsible for the engagement of our independent public accountants, approves services rendered by our accountants, reviews the activities and recommendations of our internal audit department, and reviews and evaluates our accounting systems, financial controls and financial personnel.

*Financial Reporting; Legal Compliance and Ethics:* The Board of Directors' governance and oversight functions do not relieve the Company's executive management of its primary responsibility of preparing financial statements which accurately and fairly present the Company's financial results and condition, the responsibility of each executive officer to fully comply with applicable legal and regulatory requirements or the responsibility of each executive officer to uphold the ethical principles adopted by the Company.

*Corporate Communications:* Management has the primary responsibility to communicate with investors, the press, employees and other stakeholders on a timely basis and to establish policies for such communication.

*Access to President and Chief Financial Officer:* All Company personnel shall be accorded full access to the Company's President and Chief Financial Officer with respect to any matter which may arise relating to the Company's Code of Business Conduct and Ethics; provided, however, that all Company personnel shall be accorded full access to the Company's Board of Directors if any such matter involves an alleged breach of the Company's Code of Business Conduct and Ethics by the President or Chief Financial Officer.

*Access to the Audit Committee.* All Company personnel shall be accorded full access to the Company's Audit Committee with respect to complaints regarding accounting, internal accounting controls or auditing matters. We have established an anonymous, confidential hotline for employees to document their complaints directly to the Audit Committee. Employee complaints may be made at [REDACTED]. This phone number is only accessed by members of the Audit Committee. Any complaint made through the complaint hotline will be investigated thoroughly and addressed as quickly and completely as practicable.