

SCWORX CORP.
RELATED PARTY TRANSACTION POLICIES AND PROCEDURES

POLICY

It is the policy of the Board of Directors (the "Board") of SCWorx Corp. (the "Company") that all Related Party Transactions, as that term is defined in this policy, shall be subject to review in accordance with the procedures set forth below. The Board has determined that the Audit Committee (the "Committee") is best suited to review all Related Party Transactions.

PROCEDURES

The Committee shall review the material facts of all Related Party Transactions and may also approve or disapprove of the entry into the Related Party Transaction, subject to the exceptions described below. Where advance Committee review of a Related Party Transaction is not feasible or has otherwise not been obtained, then the Related Party Transaction shall be reviewed subsequently by the Committee (and such transaction may be ratified subsequently by the Committee). The Committee may also disapprove of a previously entered into Related Party Transaction and may require that the Company's executive officers take all reasonable efforts to terminate, unwind, cancel or annul the Related Party Transaction. In connection with its review of a Related Party Transaction, the Committee will take into account, among other factors it deems appropriate, whether the Related Party Transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances, the extent of the Related Party's interest in the Related Party Transaction, the business purpose for the proposed transaction, the fairness of the transaction to the Company, and whether the proposed transaction impairs the independence of any outside director or presents an improper conflict of interest for any Company officer or director whether or not they are involved in the transaction.

The following information shall be presented to the Audit Committee, to the extent relevant, with respect to actual or potential Related Party Transactions:

1. A general description of the transaction(s), including the material terms and conditions.
2. The name of the Related Party and the basis on which such person or entity is a Related Party.
3. The Related Party's interest in the transaction(s), including the Related Party's position or relationship with, or ownership of, any entity that is a party to or has an interest in the transaction(s).
4. The approximate dollar value of the transaction(s), and the approximate dollar value of the Related Party's interest in the transaction(s) without regard to amount of profit or loss.
5. In the case of a lease or other transaction providing for periodic payments or installments, the aggregate amount of all periodic payments or installments expected to be made.
6. In the case of indebtedness, the aggregate amount of principal to be outstanding and the rate or amount of interest to be payable on such indebtedness.
7. Any other material information regarding the transaction(s) or the Related Party's interest in the transaction(s).

8. All Board members and executive officers shall submit to the Audit Committee and the CFO an up-to-date list of companies in which they are a director, an officer, and/or of which they own a controlling interest, and to promptly update the list when any changes occur.
9. The Audit Committee and the CFO shall implement procedures to ensure that any material transaction that SCWorx is contemplating that would confer a monetary or other benefit to a party that is related to SCWorx or its officers will promptly be disclosed to the Board. Materiality of such transactions and whether such transactions are with a party that is related to SCWorx or its officers shall be determined by the factors set forth under Item 404(a) of Regulation S-K. The procedures shall include written disclosure to the Board of the details of any such transaction including the nature of the relationship between the proposed counterparty and the party related to SCWorx or its officers, the financial terms and other pertinent information;
10. In determining whether a proposed related party transaction should be approved, the Board's independent directors shall consider the business purpose for the proposed transaction, the fairness of the transaction to the Company, and whether the proposed transaction impairs the independence of any outside director or presents an improper conflict of interest for any SCWorx officer or director whether or not they are involved in the transaction; and
11. The Related Party Transactions Policy shall be formalized, listed, and identified in each of the Company's Proxy Statements, and shall be published on the Company website and wherever other SCWorx corporate governance documents appear.

The Committee shall be authorized to review in advance and provide standing pre-approval in advance for certain Related Party Transactions or categories of Related Party Transactions. The Committee has reviewed the Related Party Transactions described below in "Standing Pre-Approval for Certain Related Party Transactions" and determined that each of the Related Party Transactions described therein shall be deemed to have been reviewed and approved in advance by the Committee under the terms of this Policy.

Each director and executive officer shall submit to the Committee and to the Company Chief Financial Officer an up-to-date list of companies in which they are a director, officer and/or of which they own a controlling interest, and shall promptly update the list with when any change occurs.

Each director who is a Related Party with respect to a particular Related Party Transaction shall disclose all material information to the Committee concerning such Related Party Transaction and his or her interest in such transaction. The Audit Committee or the Board of Directors may recommend the creation of a special committee to review any Related Party Transaction.

If a Related Party Transaction will be ongoing, the Committee may establish guidelines for the Company's executive officers to follow in its ongoing dealings with the Related Party. Thereafter, the Committee shall periodically review and assess ongoing relationships with the Related Party. Any material amendment, renewal or extension of a transaction, arrangement or relationship previously reviewed under this Policy shall also be subject to subsequent review under this Policy.

This Policy is intended to augment and work in conjunction with other Company policies having any code of conduct, code of ethics and/or conflict of interest provisions.

The Audit Committee periodically shall review this Policy and may recommend amendments to this Policy from time to time as it deems appropriate. In addition to guidelines for ongoing Related Party Transactions, the Audit Committee may, as it deems appropriate and reasonable, establish from time to

time guidelines regarding the review of other Related Party Transactions including those that (i) involve de minimis amounts, (ii) do not require public disclosure, or (iii) involve transactions that have primarily a charitable purpose.

DEFINITIONS

A **"Related Party Transaction"** is any financial transaction, monetary benefit or other benefit, arrangement or relationship or series of similar transactions, arrangements or relationships (including any indebtedness or guarantee of indebtedness) in which:

- The aggregate amount involved will or may be expected to exceed \$120,000 since the beginning of the Company's last completed fiscal year;
- The Company or any of its subsidiaries is a participant;
- Any Related Party has or will have a direct or indirect interest; and
- And any other factor set forth Item 404(a) of Regulation S-K.

A **"Related Party"** is any:

- Person who is or was (since the beginning of the last fiscal year for which the Company has filed a Form 10-K and proxy statement, even if they do not presently serve in that role) an executive officer, director or nominee for election as a director;
- Greater than 5% beneficial owner of our common stock; or
- Immediate Family Member of any of the foregoing.

An **"Immediate Family Member"** includes a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in such person's home.

STANDING PRE-APPROVAL FOR CERTAIN RELATED PARTY TRANSACTIONS

The Committee has reviewed the types of Related Party Transactions described below and determined that each of the following Related Party Transactions shall be deemed to have been reviewed in advance and pre-approved by the Committee, even if the aggregate amount involved will exceed \$120,000.

1. Employment of executive officers. Any employment by the Company of, or compensation of, an executive officer of the Company if (i) the executive officer is not an immediate family member of another executive officer or director of the Company, (ii) the executive officer was not otherwise a Related Party of the Company prior to becoming employed by the Company and (iii) the Company's Board of Directors has approved, or Compensation Committee has approved (or recommended that the Board approve), the compensation of such executive officer.
2. Director compensation. Any compensation paid to a director if the compensation is required to be reported in the Company's proxy statement under Item 402 of Regulation S-K.
3. Certain transactions with other companies. Any transactions, arrangements or relationships with another company at which a Related Party's only relationship is as a director and/or beneficial owner of less than 10% of that company's equity interests.

4. Transactions where all shareholders receive proportional benefits. Any transactions, arrangements or relationships where the Related Party's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis (e.g., dividends or stock splits).
5. Regulated transactions. Any transactions, arrangements or relationships with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.
6. Certain banking-related services. Any transactions, arrangements or relationships with a Related Party involving services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

DISCLOSURE

All Related Party Transactions that are required to be disclosed in the Company's filings with the SEC, as required by the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, and related rules and regulations, shall be so disclosed in accordance with such laws, rules and regulations. The material features of these Policies and Procedures shall be disclosed in the Company's Annual Report on Form 10-K or in the Company's proxy statement, as required by applicable laws, rules and regulations.

ADMINISTRATIVE MEASURES

Management shall institute appropriate administrative measures to provide that all Related Party Transactions are not in violation of, and are reviewed in accordance with, these Policies and Procedures.

INTERPRETATION

In any circumstance where the terms of these Policies and Procedures differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as these Policies and Procedures are changed to conform to the law, rule, regulation or standard.