

100.2 Business Ethics & Code of Conduct

For decades, CPI Aero has applied Teamwork, Empowerment, and a Commitment to Excellence to inspire each of its employees to work as partners, committed to achieving the expectations of our customers, our shareholders, and most importantly, our own expectations in providing trust, integrity and quality to our customer's contracted aircraft structural parts and assemblies.

CPI Aero seeks to foster a workplace that is conducive to open communication regarding the Company's business practices and ethical standards. In connection with those efforts, the Company is committed to protecting its employees from unlawful retaliation for properly disclosing or reporting conduct that they perceive to be illegal, unethical or of an otherwise questionable nature

A strong code of business ethics and a code of conduct are vital in establishing customer trust and integrity, the elements that create the foundation for all successful business relationships. As such we expect each member of our team to follow certain work rules and demonstrate conduct in ways that will protect the interests and safety of all employees and the interests of CPI Aero.

While it is impossible to list every action that is deemed unethical or unacceptable conduct, the following list has been formulated to provide some examples. Employees, who violate these codes, may be subject to disciplinary action, up to and including termination of employment:

The Workplace:

- Working under the influence of alcohol or illegal drugs.
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace.
- Violation of an employee's privacy.
- Workplace safety violations.
- Environmental safety violations including smoking in prohibited areas.
- Fighting or threatening violence in the workplace.
- Boisterous or disruptive activity in the workplace.
- Insubordination or other disrespectful conduct toward supervision.
- Discriminatory, sexual or other unlawful or unwelcome harassment.
- Possession of dangerous unauthorized materials, explosives or firearms, in the workplace.

How We Conduct Business:

- Improper conduct leading to damage of employer-owned or customer-owned property.
- Excessive absenteeism or excessive tardiness
- Unauthorized absence from work station during the workday.
- Unauthorized use of telephones, mail system, or other employer-owned equipment.
- Unsatisfactory performance or conduct.

Information Security:

- Violations of Customer data privacy.
- Theft or inappropriate removal of customer/Company property.

- Unauthorized disclosure of business "secrets" or confidential information.
- Falsification of timekeeping records.
- Unauthorized handling of trade secrets.
- Negligent application of record management.
- Computer and Network security violations.
- Violation of personnel policies.
- Inappropriate email use & internet Use

Ethics Helpline:

To report any violations of the above listed code of ethics or code of conduct contact Thomas Powers, Acting Chief Financial Officer Ext. 260 or Barry Fratello, Ethics Officer, Vice President of Administration Ext. 289. Reported code violations must be reported promptly and kept confidential to facilitate a fair and proper investigation. To reiterate the importance of these codes, their complete understanding on behalf of each employee and the acknowledgement of their significance to support the continued success of CPI Aero, this information will be updated and presented on an annual basis.

100.3 SARBANES-OXLEY ACT OF 2002

The Sarbanes-Oxley Act of 2002, also known as the Public Company Accounting Reform and Investor Protection Act of 2002 and commonly called SOX; is a United States federal law enacted on July 30, 2002 in response to a number of major corporate and accounting scandals.

Section 302 of the Sarbanes-Oxley Act of 2002 (SOX) requires a company's principal executive officer or officers and the principal financial officer or officers, or persons performing similar functions, to certify each quarterly or annual report. Such certifying officers are typically CPI Aero's CEO and CFO.

Under this continuous monitoring program, the CFO has primary responsibility for carrying out and accomplishing the objectives of the program, which is to obtain sufficient evidence to form an assessment of the effectiveness of CPI Aero's internal controls over financial reporting.

The CFO is responsible, at his / her discretion, for delegating responsibilities for ongoing compliance with SOX to relevant financial and operational CPI Aero personnel or to outside third party consultants, and also determining the overall project plan and associated project timeline. Such designated personnel shall report directly to the CFO during the course of the implementation period, as defined by the CFO and CEO, and shall be responsible for the preparation of process documentation, testing and other related SOX work papers as approved in writing by such designated personnel.

Upon review and ultimate approval of all SOX work papers prepared by financial and operational personnel so designated by the CFO, the CFO shall document in writing his / her assessment of such work papers and shall also document in writing his / her assessment as to the effectiveness of CPI Aero's internal controls over financial reporting as of the balance sheet date. The CFO shall review management's assessment in detail with the CEO at a point in time that will reasonably allow the CEO to form a conclusion on the effectiveness of CPI Aero's internal controls over financial reporting. The CEO and CFO must complete their reviews and analysis of management's assessment of the effectiveness of CPI Aero's internal controls over financial reporting on or before the applicable date of filing the underlying Form 10-K with the SEC. Upon review of management's assessment of CPI Aero's internal controls over financial

reporting, the CEO shall indicate in writing whether CPI Aero's internal controls over financial reporting are effective as of the applicable balance sheet date.

100.4 REPORTING VIOLATIONS

CPI Aero seeks to foster a workplace that is conducive to open communication regarding the Company's business practices and ethical standards. In connection with those efforts, the Company is committed to protecting its employees from unlawful retaliation for properly disclosing or reporting conduct that they perceive to be illegal, unethical, or of an otherwise questionable nature.

CPI Aero employees may submit concerns about accounting, internal controls, auditing matters, fraud, unethical business practices, illegal, or questionable conduct (hereinafter collectively referred to as an "Ethics Concern") directly to the Company's Audit Committee. By following the protocol set forth in this policy, these reports will be viewed by the Audit Committee.

Company employees are encouraged to discuss their ethics concerns with their immediate manager if they wish and are comfortable doing so. In such cases, the manager is responsible for ensuring that the report is appropriately handled and delivered to the Audit Committee, as necessary.

There may be times, however, when an employee prefers not to go to his or her manager, and may want to make a confidential report. These employees may want more information than their manager can provide, or the employee may want to report a concern about their manager's conduct. In these cases, employees are encouraged to contact the Executive Management or the Audit Committee directly at the dedicated email address and phone numbers provided in this policy. In order to facilitate investigations communications should be specific, identifying the situation, names, dates, and places the conduct became evident. The report should also include the employee's perception of why the conduct is concerning, and what recommendations, if any, the employee would make to rectify the situation as well as any other pertinent information.

Anonymous complaints are acceptable however anonymous complaints may be difficult to fully investigate therefore specific complaints are preferred. All complaints whether anonymous or not will be investigated to the best of our ability.

Company employees who wish to report an Ethics Concern are encouraged to submit their matter by way of the following dedicated email address:

EthicsConcern@CPIAERO.com

Executive Management are the only individuals with access to this email address. In addition, Company employees can also communicate an ethics concern by sending written correspondence to:

Graubard Miller
The Chrysler Building, 11th Floor
405 Lexington Ave.
New York, New York 10174-1101
Attention: Paul Lucido Esq.

If an employee would prefer to speak to Mr. Lucido directly, he may be reached at 212-818-8675.

In addition to the internal resources above, employees also have the option of reporting their concern to Doug McCrosson, Chief Executive Officer, Thomas Powers, Acting Chief Financial Officer, or Barry Fratello, Ethics Officer and Vice President of Administration who will receive employee concerns and report those matters to the Company's Audit Committee. They will maintain confidentiality to the extent allowed by law.

All employee concerns reported to the Company will be reviewed and investigated as appropriate.

PROHIBITION AGAINST RETALIATION

CPI Aero strictly prohibits retaliation against any individual for reporting a matter internally or externally that the employee, in good faith, believes to be a violation of this Code or any law, rule, or regulation. Retaliation itself is considered by the Company to be a violation of this Code. If any individual believes he/she is subject to retaliation for having made a report to Company management or to the Company Audit Committee directly about a concern, he/she should report the matter immediately to the Manager of Human Resources and/or Barry Fratello, Ethics Officer, Vice President of Administration.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, the employee is to contact his/her immediate supervisor, management or Human Resources. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination of employment.

The confidentiality of the whistleblower will be maintained, however, identity may have to be disclosed to conduct a thorough investigation. CPI Aero will not retaliate against a whistleblower. Any whistleblower who believes he/she is being retaliated against must contact either Human Resources, Thomas Powers, Acting Chief Financial Officer or Barry Fratello, Ethics Officer, Vice President of Administration immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

Employees with any questions regarding this policy should contact the Human Resources Department

CODE CONTACTS

Company employees should report immediately any matter that they believe constitutes an actual or potential breach of this Code. The following individuals are available to receive any code related concerns and will ensure that the Audit Committee is properly advised of the matter:

1. Douglas McCrosson, Chief Executive Officer

Phone: 631-586-5200 Ext. 117;

Email: DMcCrosson@CPIAERO.com

2. *Thomas Powers, Acting Chief Financial Officer*

Phone: 631-586-5200 Ext. 260;

Email: TPowers@CPIAERO.com

3. *Barry Fratello, VP Administration*

Phone: 631-586-5200 Ext. 289;

Email: BFratello@CPIAERO.com

WAIVERS

If any Company employee believes a waiver of this Code is necessary or appropriate, a written explanation must be provided to the Audit Committee in advance of any action that otherwise is a breach of this Code. No waiver shall be deemed to have been granted unless the waiver is in writing and signed by a member of the Audit Committee.