

MECHANICAL TECHNOLOGY INCORPORATED
CODE OF ETHICS
For Employees, Officers and Directors
(Amended 5-6-15)

Introduction

MTI and its subsidiaries (individually and collectively, “MTI” or the “Company”) are, and expect their employees and directors (collectively “employees”) to be, committed to the highest standards of honest and ethical behavior. Daily business decisions are made based on our shared values: Integrity, Innovation, Excellence, Teamwork and Compassion. Integrity takes precedence should it ever be in conflict with any other value. All of our directors and employees are expected to serve the Company with judgment, discretion and integrity in performing their duties.

Please address any questions about this Code of Ethics (the “Code”) or its application to your immediate supervisor or an appropriate member of management.

The Workplace

MTI is committed to providing an environment that supports honesty, integrity, respect, trust, responsibility and citizenship, and that permits us the opportunity to achieve excellence in our workplace. While everyone who works for the Company must contribute to the creation and maintenance of such an environment, our executives and management personnel assume special responsibility for fostering a work environment that is free from the fear of retribution and will bring out the best in all of us. Supervisors must be careful in words and conduct to avoid placing, or seeming to place, pressure on subordinates that could cause them to deviate from acceptable ethical behavior.

Employees are expected to have a general knowledge of permissible activities in their work area, and should seek guidance from a supervisor concerning any matter on which he or she desires clarification in this regard.

Responsibility to Others

MTI is committed to honesty, just management, fairness, providing a safe and healthy environment free from the fear of retribution, and respecting dignity. For the communities in which we live and work, we are committed to observing sound environmental business practices and acting as concerned and responsible neighbors, reflecting all aspects of good citizenship. For our shareholders, we are committed to pursuing sound growth and earnings objectives and to exercising prudence in the use of our assets and resources. For our suppliers and partners, we are committed to fair competition and the sense of responsibility required of a good customer and teammate.

Compliance with Law

MTI will conduct its business in compliance with all applicable laws and regulations. Compliance with the law is not our entire ethical responsibility -- it is a minimum, absolutely essential condition for performance of our duties. In conducting business, we will comply with all laws, paying particular attention to the following:

Securities Laws: Federal law and Company policy prohibit officers, directors and employees, directly or indirectly through their families or others from purchasing or selling company stock while in the possession of material, non-public information concerning the Company. This same prohibition applies to trading in the stock of other publicly held companies on the basis of material, non-public information. To avoid even the appearance of impropriety, Company policy also prohibits officers, directors and employees from trading options on the open market in Company stock under any circumstances. Material, non-public information is any information that could reasonably be expected to affect the price of a stock. If an officer, director or employee is considering buying or selling a stock because of inside

information they possess, they should assume that such information is material. It is also important for the officer, director or employee to keep in mind that if any trade they make becomes the subject of an investigation by the government, the trade will be viewed after-the-fact with the benefit of hindsight. Consequently, officers, directors and employees should always carefully consider how their trades would look from this perspective. Two simple rules can help protect you in this area: (1) Don't use non-public information for personal gain. (2) Don't pass along such information to someone else who has no need to know. This guidance also applies to the securities of other companies for which you receive information in the course of your employment at MTI.

Anti-Trust Laws and Competition: MTI encourages competition -- which benefits consumers by prohibiting unreasonable restraints on trade. MTI competes vigorously while at the same time adhering to both the letter and spirit of anti-trust laws. No employee or representative of MTI shall enter into any collusive understanding, agreement, plan or scheme, expressed or implied, formal or informal, with any other bidder, competitor, or their representatives, in the preparation or submission of bids or proposals for the sale or purchase of any MTI products or services. Further, no agreement or understanding shall be made with competitors to fix or control prices, allocate products, markets or territories, boycott certain customers or suppliers, or limit the manufacture, sale or production of any products. All proposals for submission of joint bids with one or other companies or proposals for teaming arrangements with other prospective bidders must be discussed with and approved by the Company's Chief Executive Officer or Chief Financial Officer before proceeding.

Commercial Bribery: Commercial bribery - the paying of commercial bribes, kickbacks and other similar payoffs and benefits to or from any supplier or customer -- are illegal and prohibited by Company policy.

Fraud: Federal and state laws and Company policy prohibit the use of untruthful, misleading or deceptive acts, statements or omissions to obtain an illegal advantage or gain. Company policy prohibits fraud of any type or description.

Security of the U.S. Government: The U.S. Government is one of the Company's most important clients and it is Company policy to comply with all laws pertaining to the security of the U.S. government.

Political Contributions: MTI encourages its employees to become involved in civic affairs and participate in the political process. Employees must understand, however, that their involvement and participation must be on an individual basis, on their downtime and at their own expense. Federal law prohibits corporations from donating corporate funds, goods, or services, directly or indirectly, to candidates for federal offices -- this includes employees' work time. Local and state laws also govern political contributions and activities as they apply to their respective jurisdictions.

Confidential or Proprietary Information

Company policy prohibits employees from disclosing confidential or proprietary information, including records, reports, papers, devices and apparatus and formulas, practices, processes, plans and methods, outside the Company, either during or after employment, without Company authorization to do so.

Company Property and Data

Any product or process, discovery or development improvement or invention related to any product, process, article made, used or sold or under development by an employee during his or her employment is the exclusive property of MTI and shall not be divulged, disclosed or otherwise communicated to a third party. You may not remove Company materials or information from Company premises without prior authorization by a Company officer.

Telephones (including cellular phones), computers, the electronic mail system (e-mail), the Internet and

other equipment provided by the Company are property of the Company and should be used for business purposes. The Company acknowledges, however, that employees may have the need or desire to use Company equipment for personal reasons from time-to-time. You may use Company equipment for personal use, provided that the use of Company equipment does not interfere with the performance of your duties to the Company or the Company's business needs or become excessive. Be advised that the Company considers all data developed on its system, including e-mail data, to be the property of the Company, and your use of Company equipment, including e-mail and the Internet, may be monitored. If you abuse the privilege of using Company equipment, you will be disciplined accordingly, up to and including termination of employment. Below are some additional conditions that concern the use of the Internet and e-mail:

Employees are prohibited from visiting websites or circulating e-mail that contain the following content: pornography; hate group content; casinos; or day-trading activities. In addition, there is to be no display, downloading or other transmission of material that is discriminatory, defamatory, harassing, disruptive or pornographic. In using the Company's computer system, including e-mail and the Internet, employees must not disclose confidential material or violate copyright law.

In addition, you are responsible for ensuring that all Company equipment issued to you is properly used and maintained, and for exercising reasonable care to prevent theft, damage or misuse. You should report to your supervisor any destruction or misuse of Company property.

Conflicts of Interest

Company policy prohibits conflicts between the interests of its employees and the Company. A conflict of interest exists when an employee's personal interest interferes, may interfere, or even just appear to interfere, with the interests of the Company. A conflict of interest may also arise if you take action or have personal interests that make it difficult for you to effectively perform your duties to the Company. Further, you should not take any action that directly benefits you or a third party if that action is inconsistent with the interests of the Company.

It is impractical to conceive of and set forth rules that cover all situations in which a conflict of interest may arise. The basic factor in all conflict of interest situations is, however, the division of loyalty or the perception of a division of loyalty, between the Company's best interests and an employee's interests. At all times, employees should avoid relationships that interfere with (or may interfere with) their ability to act independently, objectively and in the best interests of the Company. Conflicts of interest may not always be clear, so if an employee has a concern that a conflict of interest may exist, they should consult with higher levels of management, the Company's Chief Financial Officer or Chairman of the Audit Committee.

Gifts and Business Entertainment: Employees may not accept gifts, gratuities, free trips, personal property or other items from an outside person or organization as an inducement to provide products or services. You may not, without the Company's approval, solicit, accept or agree to accept anything of value for the benefit of any person from anyone doing or seeking to do business with the Company, including borrowing money, purchasing property or furnishing property or services to the Company, except as expressly permitted by the Code. 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 customers. No such gift, entertainment or payment should be offered, given, provided or accepted by your or any member of your family unless it: (i) is not a cash gift; (ii) is consistent with customary business practices; (iii) is not excessive in value; (iv) cannot be construed as a bribe or payoff; and (v) does not violate any laws or regulations. Acceptance of (i) gifts, gratuities, amenities or favors based upon family or personal relationships, or (ii) meals, refreshments, travel arrangements, accommodations or entertainment, all of reasonable value, in the regular course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relationships, are

not prohibited under the Code.

Further, employees are required, within the scope of their duties, to be aware of and comply with the provisions of the Federal Anti-Kickback Act and Foreign Corrupt Practices Act that prohibit contractors from paying kickbacks, directly or indirectly, to prime contractors, subcontractors or their respective employees for the purpose of gaining business or favorable treatment associated with a domestic or foreign contract.

You should report to your immediate supervisor any information concerning an offer of a bribe, any action suggesting a bribe, or any act contrary to compliance with this provision of the Code.

Corporate Opportunity: Employees may not personally take advantage of an opportunity that the Company could take advantage of, nor shall you take advantage for yourself personally of an opportunity discovered through your position with the Company. Employees may not compete with the Company or use the Company's property or information for their own personal gain.

Outside Interests/Activities/Employment: Any outside association, including activities with other entities or other business or financial interests, should not directly interfere with the Company's interests, encroach on the time and attention you are expected to devote to your duties and responsibilities to the Company, adversely affect the quality or quantity of your work product or entail your use of any of the Company's assets, including its real and personal property, or imply (without the Company's approval) the Company's sponsorship or support. Employees are required to disclose, in writing, to their immediate supervisor all outside employment, in order to confirm such employment is not a conflict of interest.

Waivers

When it is deemed to be in the best interests of MTI and its shareholders, the Audit Committee may grant waivers to employees who have disclosed an actual or potential conflict of interest. Such waivers are subject to approval by the Board of Directors.

Diversity

Company policy is to provide equal employment opportunity for all applicants and employees without regard to race, color, religion, sex, national origin, ancestry, age, disability, veteran status, marital status, sexual orientation or gender identity, and requires compliance with applicable federal, state and local laws in this regard. This applies to all areas of employment. Company policy also requires that reasonable accommodations be made for disabled applicants and employees, enabling them to apply for and to perform the essential functions of their jobs.

Accounting Controls, Procedures & Books and Records

Applicable laws and Company policy require the Company to keep accurate books and records that fairly and completely reflect the Company's financial position, its transactions and the dispositions of its assets. In this regard, the Company's financial executives and other employees, within the scope of their employment, shall:

- Report all information related to the Company in an accurate, honest and timely manner.
- Comply with rules and regulations of federal, state and local governments, and other appropriate private and public regulatory agencies; additionally, you must maintain any financial records in accordance with generally accepted accounting principles.
- Act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing independent judgment to be subordinated.
- Share knowledge and maintain skills important and relevant to constituents' needs.
- Proactively promote ethical behavior as a responsible partner among peers in the work environment.

- Achieve responsible use of and control over all assets and resources for which responsible.

Corporate Communications and SEC Reporting

It is Company policy to make full, fair, accurate, timely and understandable public disclosure of all information relating to the Company as required by law, the U.S. Securities and Exchange Commission (“SEC”), other applicable rules and regulations, and/or business policy. It is further our policy to comply with all securities and other laws that prohibit “selective disclosure,” including SEC Regulation Fair Disclosure (“Regulation FD”). In order to ensure that all disclosure of information relating to the Company is accurate and in full compliance with applicable laws and regulations, it is Company policy that all such disclosures will be made only through established channels. Unless you have been specifically authorized to do so, you may not discuss Company business with securities analysts, media representatives, investors, government officials, pension plan or similar fund administrators or other outside persons. If you are contacted by any such persons about the Company, even if such information is not proprietary or confidential, you should refer them to the Company’s Chief Executive Officer.

All employees are expected, within the scope of their employment, to comply with the Company’s disclosure controls and procedures to ensure that material information relating to the Company is timely recorded, processed, summarized and reported in accordance with all applicable SEC and other rules and regulations. If the scope of your employment involves the reporting of material information, you will be trained in these controls and procedures. When called upon to do so, within the scope of your employment you shall provide the information necessary to complete public reports completely and fairly and in accordance with applicable requirements. All employees are expected to report to their supervisor information they believe might be material about the Company, but which they believe is not known at higher levels of the Company.

Further, if you participate, directly or indirectly, in the preparation of the financial and other disclosures that the Company makes to the public, including in its filings with the SEC or by press release, you must, in addition to complying with all applicable laws, rules and regulations: (i) raise questions and concerns regarding the Company’s public disclosures when necessary and ensure that such questions and concerns are appropriately addressed; (ii) provide the Company’s directors, employees, consultants and advisors involved in the preparation of the Company’s disclosures to the public with information that is accurate, complete, objective, relevant, timely and understandable; (iii) act in good faith, responsibly and with due care, competence and diligence, without misrepresenting material facts or allowing your independent judgment to be subordinated by others; and (iv) comply with the Company’s internal control over financial reporting.

Board Committees

The Company will establish or appoint committees empowered to enforce the Code. Unless otherwise determined by the Company’s Board of Directors, the Audit Committee of the Board will enforce the Code. The Audit Committee will report to the Board of Directors at least once each year regarding the general effectiveness of the Code, the controls and reporting procedures, and the business conduct of the Company and any subsidiary.

Implementation of the Code

You are responsible for being familiar with, and following, the Code and all the laws, rules, regulations, and policies that apply to your position with the Company and your level of responsibility. All employees will receive a copy of the Code and will be required to acknowledge in writing that they (i) have received a copy of the Code and (ii) have read and understand the Code, including their duty to report violations or other questionable conduct. The required acknowledgement form is attached to this copy of the Code. Please sign and return it to Lisa Brennan. New employees and directors will be provided a copy of the Code and required to execute the acknowledgement form at the commencement of their employment. Further, management personnel have an obligation to implement the Code and ensure compliance by the

employees they supervise.

Reporting and Investigation: If you become aware of any violation or potential violation of this Code, whether by you or by someone else, you must immediately report such violation or potential violation to your immediate supervisor, another member of management, or the Chairman of the Audit Committee. Supervisory personnel who receive such reports or otherwise become aware of violations of the Code should report them directly to the Chairman of the Audit Committee. The Company will keep all such reports confidential to the maximum extent possible.

Pursuant to procedures adopted, the Audit Committee shall promptly investigate any potential violations and determine whether violations of the Code have occurred.

Disciplinary Measures: The Company shall consistently enforce the Code through appropriate means of discipline. The Audit Committee shall determine the disciplinary measures to be taken against any employee or agent of the Company who has violated the Code. The disciplinary measures, which may be invoked at the discretion of the Audit Committee, include, but are not limited to, counseling, oral or written reprimands, warnings, probation or suspension without pay, demotions, reductions in salary, termination of employment and restitution. Persons subject to disciplinary measures shall include, in addition to the violator, others involved in the wrongdoing such as (i) persons who fail to use reasonable care to detect a violation, (ii) persons who, if requested to divulge information, withhold material information regarding a violation, and (iii) supervisors who approve or condone the violations or attempt to retaliate against employees or agents for reporting violations or violators.

No Retaliation: Employees are entitled to protection from retaliation for reporting, in good faith, a violation or suspected violation of the Code, disclosing information relating to such a violation or suspected violation, or otherwise participating in an investigation relating to a good faith report of a violation or suspected violation, even if the report turns out to be in error. Neither the Company nor any officer, director or employee thereof may retaliate, discriminate or engage in any other adverse employment action against you if you lawfully provide information regarding any conduct you reasonably believe constitutes a violation of the Code or a violation of law or applicable regulation, including your providing of information to law enforcement or regulatory agencies. Any such retaliatory conduct is a violation of the Code – note that this includes any negative treatment of a person who has reported a violation or suspected violation or cooperated in an investigation. This would include, for example, giving negative evaluations solely as a result of the person's report of a violation or potential violation or "freezing out" the person from work assignments or group meetings, and similar behavior. Failure to report a known violation of the Code, however, is itself a violation and may result in disciplinary action. Note, however, that the provisions of this Code are in no way intended to limit your rights to report alleged violations relating to securities law to proper governmental regulatory authorities.

Important Disclaimer

The Code establishes minimum acceptable standards and is not intended to address every conceivable kind of business practice and behavior and, of necessity, cannot address every law or other rule and regulation applicable to the Company or every specific situation in which MTI may find it appropriate to take disciplinary action. However, the Code is intended to reflect general principles to guide you in making ethical decisions and complying with rules and regulations applicable to the Company. You are expected to comply with the intent as well as the enumerated provisions of the Code. This Code is not intended to create any contract (express or implied) with you, including without limitation any employment contract, or to constitute any promise that your employment will not be terminated except for cause.

ACKNOWLEDGMENT

I acknowledge that I have received a copy of the Mechanical Technology Incorporated Code of Ethics. Further, I have read and I understand the Code, including my duty to report violations. I understand that if I have questions regarding the Code or other similar concerns, I may contact internal Company personnel for clarification.

I understand that I am subject to the Code and am required to comply with the Code, including any amendments thereto. I understand that if I violate the Code, including failure to report violations or suspected or potential violations, I am subject to disciplinary action up to and including termination of my employment. I hereby certify that I am not currently aware of any violations of the Code that have not been appropriately reported.

Date: _____

Signature: _____

Print Name: _____