

AFC GAMMA, INC.

Corporate Governance Guidelines

(March 2021)

The Board of Directors (the “Board”) of AFC Gamma, Inc. (the “Corporation”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in the exercise of its duties and responsibilities and to serve the best interests of the Corporation and its stockholders. The Guidelines should be applied in a manner consistent with all applicable laws, the rules of The Nasdaq Stock Market LLC (“Nasdaq”) and the Corporation’s Amended and Restated Certificate of Incorporation (as in effect from time to time, the “Charter”) and Amended and Restated Bylaws (as in effect from time to time, the “Bylaws”) and other corporate governance documents, each as in effect from time to time. The Guidelines are intended to serve as a flexible framework for the conduct of the Board’s business and not as a set of legally binding obligations. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with its duties and responsibilities to the Corporation and its stockholders.

The Guidelines shall be made available on the Corporation’s website at www.afcgamma.com and to any stockholder who otherwise requests a copy.

THE BOARD

Classified Board

The Board is divided into three classes, with one class subject to election at each annual meeting of stockholders. Each director is elected for a three-year term and until his or her successor has been duly elected and qualified, with vacancies filled as provided in the Corporation’s Charter and Bylaws.

Size of the Board

The number of directors shall be as established by the Board in accordance with the Bylaws as in effect from time to time, but in no event will be less than the minimum number required by the Maryland General Corporation Law, nor more than 11. The Board and the Nominating and Corporate Governance Committee of the Board (the “Nominating Committee”) periodically review the appropriate size of the Board, which may vary from time to time to accommodate the availability of suitable candidates and the current and anticipated needs of the Corporation.

Roles and Duties of Directors

The basic function of the Board is to direct the management of the business and the affairs of the Corporation and exercise, or delegate the exercise of, all powers of the Corporation. The Board has the responsibility to make decisions and oversee management and its performance, but does not itself conduct the organization’s day-to-day operations. This means, for example, that the Board is not expected to become involved in the details of portfolio management. However, the Board should generally monitor and perform an oversight role with respect to the operations of the Corporation, including with respect to investment practices and performance, compliance with

regulatory requirements, and the services, expenses and performance of the Corporation's external manager (the "Manager") and service providers. Accordingly, the Board retains the responsibility for (1) conducting periodic reviews of the Corporation's investment portfolio, (2) approving and amending the Corporation's investment guidelines, subject to the terms of the management agreement (the "Management Agreement") with the Manager, (3) approving the appointment and retention terms of the Manager and officers and (4) subsequently reviewing and monitoring the services and activities that the Manager and such officers provide. For purposes of the Guidelines, unless the context otherwise requires, the terms "internal auditors," "executive officers," "officers," "employees," "Chief Executive Officer," "Secretary," "senior management," "management," "senior managers," and "mid-level managers" include individuals that are employed by the Manager, or an affiliate of the Manager, and perform roles on behalf of the Corporation pursuant to the Management Agreement.

Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities, including those described above. In addition, the Board acknowledges that effective directors maintain an attitude of constructive skepticism; they ask incisive, probing questions and require accurate, honest answers; they act with integrity and diligence; and they demonstrate a commitment to the Corporation, its business plans and long-term stockholder value. Certain other responsibilities of the Board, either through itself or through its committees, include:

- reviewing, approving and monitoring the Corporation's fundamental financial and business strategies and major corporate actions;
- reviewing and, where appropriate, approving major changes in and determinations under the Guidelines, Code of Business Conduct and Ethics and other Corporation policies; and
- ensuring that the Corporation's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

Standard of Conduct

Directors are required to act in accordance with a specific statutory standard of conduct to act in good faith with a reasonable belief that his or her action is in the best interests of the Corporation and with the care of an ordinarily prudent person in a like position under similar circumstances.

Reliance on Management and Advisors

In the performance of his or her duties with respect to the Corporation, including in connection with the Board's periodic reviews of the Corporation's investment portfolio and financial statements, each director is entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer of the Corporation or officer or employee of the Manager whom the director reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other professional advisor or expert, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect

to such director, by a committee of the Board on which such director does not serve, as to a matter within its designated authority, if such director reasonably believes the committee to merit confidence.

Independence of the Board

The Board shall be composed of a majority of directors who, in the business judgment of the Board, qualify as “independent directors” under the listing standards of Nasdaq (the “Listing Standards”), subject to any other applicable requirements set forth in the Corporation’s Charter or Bylaws. The Board shall make an affirmative determination at least annually as to the independence of each director. Directors are expected to inform the Board promptly of any material changes in their circumstances or relationships that may impact their designation by the Board as independent.

Supervision of the Manager

The Corporation has appointed the Manager to manage its investments and the business of the Corporation pursuant to a Management Agreement, subject to the supervision of the Board. There is potential for conflict between the interests of the Manager and those of the Corporation’s stockholders. These potential conflicts of interest are policed by the Corporation’s independent directors (whether through the Audit and Valuation Committee of the Board (the “Audit and Valuation Committee”) or otherwise), who make up a majority of the Board and look after the interests of the Corporation’s stockholders.

Lead Independent Director

The Board will exercise its discretion in combining or separating the offices of Chairman of the Board (“Chair”) and Chief Executive Officer. This determination will be based on the Board’s judgment of the best interests of the Corporation and its stockholders from time to time. Whenever the Chair is also the Chief Executive Officer or is a director who does not otherwise qualify as an independent director, the independent directors will appoint from amongst themselves a lead independent director of the Board (“Lead Independent Director”). The Lead Independent Director shall be elected annually by, and may be replaced or removed from, such position upon the majority vote of the independent directors. The Lead Independent Director shall have such duties as are set forth in Exhibit A.

Director Qualification Standards and Nomination Process

The Board will be responsible for nominating members for election to the Board by the Corporation’s stockholders at the annual meeting of the stockholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of stockholders. The Nominating Committee is responsible for identifying, evaluating and recommending to the Board individuals qualified to become members of the Board, and for reviewing on an annual basis the appropriate characteristics, skills, and experience required for the Board as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current Board members), in recommending candidates for election by the stockholders (or, in the case of vacancies, election by the Board), and in approving such candidates, the Nominating Committee will take into account the factors set forth under the

Selection Criteria for members of the Board of Directors attached as Exhibit A to the Nominating Committee (the “Selection Criteria”).

The Board does not believe that arbitrary term limits on directors’ service are appropriate nor does it believe that directors should expect to be nominated for re-election until they reach a mandatory retirement age. The Board self-evaluation process, together with the procedures set forth in the charter of the Nominating Committee and the Selection Criteria, shall be an important determinant for Board tenure.

Selection of New Director Candidates

Subject to the Corporation’s obligation by contract, bylaw or otherwise, to provide third parties with the ability to nominate directors, the Nominating Committee shall be responsible for (i) identifying individuals qualified to become Board members (consistent with criteria approved by the Board) and (ii) recommending to the Board the persons to be nominated for election as directors at any meeting of stockholders and the persons to be elected by the Board to fill any vacancies on the Board. Director nominees shall be considered for recommendation by the Nominating Committee in accordance with these Guidelines and the policies and principles in its charter.

Outside Directorships

No director may simultaneously serve on the boards of directors of more than four other public companies, excluding portfolio companies of the Corporation, unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve the Corporation. Directors must advise the Chair and the Chairman of the Nominating Committee in advance of accepting an invitation to serve on another board.

Service on other boards and/or committees must be consistent with the Corporation’s conflict of interest policies.

Directors Who Resign Their Current Positions with the Manager or its Affiliates

Directors who are also employees of the Manager or any of its affiliates are expected to resign from the Board at the same time they leave employment or materially change their position with the Manager or its affiliate.

Compensation

As provided in its charter, the Compensation Committee of the Board (the “Compensation Committee”) is responsible for recommending to the Board the form and amount of director compensation for Board and committee service for directors. Director compensation should be competitive and may include equity grants under the Corporation’s equity incentive plans. From time to time, the Compensation Committee may request reports from management of the Corporation concerning the status of Board compensation in relation to similarly situated companies. The Compensation Committee may also retain compensation consultants as needed to assist with the committee’s review of director compensation.

Notwithstanding the foregoing, directors may also be compensated for services to the Corporation in other capacities.

Loyalty and Ethics

In their roles as directors, all directors owe a duty of loyalty to the Corporation. The Corporation has adopted a Code of Business Conduct and Ethics (the “Code”), which includes a compliance program to enforce the Code, and directors are expected to adhere to the Code, which includes the Corporation’s Conflict of Interest Policy.

Board Orientation and Continuing Education of Board Members

The Board (or a committee thereof) or the Corporation will develop an orientation process for new directors to familiarize such directors with, among other things, the Corporation’s business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of conduct and ethics, corporate governance guidelines and other policies. In addition, the Board (or a committee thereof) or the Corporation will monitor the continuing education for existing directors and the Board (or a committee thereof) or the Corporation may, from time to time, offer continuing education programs to assist the directors in maintaining the level of expertise necessary to perform his or her duties as a director. The Corporation’s directors are also encouraged to participate in accredited director education programs.

Interaction with Institutional Investors, Media and Others

The Board believes that management should speak for the Corporation. Each director shall refer all inquiries from investors, analysts, the press or others to the Chief Executive Officer or his or her designee in accordance with the Corporation’s policies. Individual Board members may, from time to time, be requested by management to meet or otherwise communicate with various constituencies that are involved with the Corporation. If comments from the Board are appropriate, they should, in most circumstances, come from the Chair.

Board Access to Management

Directors have full and free access to officers of the Corporation and officers and employees of the Manager. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. The directors shall use their judgment to ensure that any such contact is not disruptive to the business operations of the Corporation and shall, to the extent appropriate, copy the Chief Executive Officer on any written communications between a director and an officer of the Corporation or an officer or employee of the Manager.

Board Access to Independent Advisors

The Board and each committee have the authority to hire and consult with independent legal, financial or other advisors for the benefit of the Board or such committee, as they may deem necessary, without obtaining the approval of any officer of the Corporation or the Manager in advance. In the discretion of the Board or applicable committee, such independent advisors may

be, but need not be, the regular advisors to the Corporation. The Board or any such committee is empowered, without further action by the Corporation, to cause the Corporation to pay the compensation of such advisors as established by the Board or any such committee.

Annual Self-Evaluation

At least annually, the Nominating Committee will oversee and coordinate a self-assessment of the Board and each committee's own performance, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board and each committee respectively.

The assessment of the Board should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Corporation, as well as a review of the committee structure and an assessment of the Board's compliance with the principles set forth in the Guidelines. The purpose of the review will be to improve the performance of the Board as a unit, and not to target the performance of any individual Board member. The Board will utilize the results of this evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board. Each committee of the Board will conduct its self-assessment under the oversight of the Nominating Committee in accordance with the provisions set forth in its respective charter.

BOARD MEETINGS

Frequency of Meetings

The Board will meet at least four times each calendar year. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

Director Attendance

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of non-management directors or independent directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Board or the chairman of the appropriate committee in advance of such meeting and, whenever possible, participate in such meeting via teleconference. Directors must attend at least 75% of all meetings of the Board and all committees on which the director sits (including separate meetings of non-management directors or independent directors) in any specified fiscal year in order to be eligible to receive director compensation.

Agenda

The Chair or Lead Independent Director, as applicable, will establish a schedule of subjects to be discussed during the year (to the extent this can be foreseen) and an agenda for each Board meeting. Each Board member is encouraged to suggest the inclusion of items on the agenda at any

time. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

Executive Sessions

The independent directors will meet periodically in executive session but no less than two times per year or such greater number as required by the Listing Standards. Executive session discussions may include such topics as the independent directors determine. The directors generally shall not take formal action at these sessions, but may make recommendations for consideration by the full Board.

Attendance of Non-Directors

At the invitation of the Board, members of senior management of the Corporation or the Manager recommended by the Chief Executive Officer shall attend Board meetings or portions thereof for the purpose of participating in discussions. Generally, presentations of matters to be considered by the Board are made by management responsible for that area of the Corporation's operations.

The Board encourages the directors and members of the committees to bring Corporation management (including members of management of the Manager) and outside advisors or consultants from time to time into Board and/or committee meetings to (1) provide insight into items being discussed by the Board which involve such members of management, advisors or consultants, (2) make presentations to the Board on matters which involve such members of management, advisors or consultants, and (3) bring members of management with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

Advance Receipt of Meeting Materials

Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed to the directors before the meeting, and directors should review these materials in advance of the meeting. The Board acknowledges that certain items to be discussed at a Board or committee meeting may be of an extremely confidential or time-sensitive nature and that the distribution of materials on these matters prior to meetings may not be appropriate or practicable. Presentations made at Board meetings should do more than summarize previously distributed Board meeting materials.

Confidentiality

The proceedings and deliberations of the Board and its committees are confidential. Each director shall maintain the confidentiality of information received in connection with his or her services as a director.

Annual Meeting of Stockholders

Directors are invited and encouraged to attend the Corporation's annual meeting of stockholders, either in person or telephonically.

COMMITTEE MATTERS

Key Committees

The Board shall have at all times an Audit and Valuation Committee, a Compensation Committee and a Nominating Committee. Each such committee shall have a charter that has been approved by the Board. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

Committee Membership

The Board appoints, on the recommendation of the Nominating Committee, committee members and committee chairs according to criteria set forth in the applicable committee charter and such other criteria that the Board determines to be appropriate in light of the responsibilities of each committee. Committee membership and the position of committee chair will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Corporation.

Committee Charters

In accordance with the Listing Standards, the charters of the Audit and Valuation Committee, the Compensation Committee and the Nominating Committee shall set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The Board shall, from time to time as it deems appropriate, review and reassess the adequacy of each charter and make appropriate changes.

Frequency of Committee Meetings

The chairman of each committee, in consultation with the committee members, shall determine the frequency of the committee meetings consistent with any requirements set forth in the committee's charter. Special meetings may be called from time to time as determined by the needs of the business and the responsibilities of the committees. Committees are required to report to the Board from time to time, as requested by the Board, or as the committee deems appropriate.

LEADERSHIP DEVELOPMENT

Succession Planning

The Board works on a periodic basis with the executive officers of the Manager to develop, review, maintain and revise, if necessary, the Corporation's succession plan upon the Chief Executive Officer's retirement, the termination or non-renewal of the Manager under the Management Agreement or in the event of an unexpected occurrence. The Chief Executive Officer's recommendations regarding his or her successor should he or she be unexpectedly disabled shall be available to the Board on a continuing basis.

Management Development

The Board will determine that a satisfactory system is in effect for the education, development, and orderly succession of senior and mid-level managers, including officers and employees of the Manager, throughout the Corporation.

Chief Executive Officer Evaluation

The Board, in consultation with the Compensation Committee, should conduct an annual review of the performance of the Chief Executive Officer. The evaluation will include an assessment of corporate performance, development of management, the accomplishment of annual objectives and long-term strategic goals and such other criteria as the Compensation Committee may determine to be appropriate. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

Periodic Review of the Corporate Governance Guidelines

The Nominating Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval.

Exhibit A

AFC GAMMA, INC.

Role of the Lead Independent Director

The independent members of the Board of Directors (the “Board”) of AFC Gamma, Inc. (the “Corporation”) have determined to elect an independent director to serve in a lead capacity (the “Lead Independent Director”).

The Lead Independent Director coordinates the activities of the other independent directors and performs such other duties and responsibilities as the Board may determine.

The specific responsibilities of the Lead Independent Director are as follows:

Presides at Executive Sessions

- Presides at all meetings of the Board at which the Chairman of the Board (the “Chair”) and the Chief Executive Officer of the Corporation (the “CEO”) and the other interested directors are not present, including regularly conducted executive sessions of the independent directors.

Calls Meetings of Independent Directors

- Has the authority to call meetings of the independent directors.
- Develop agendas for meetings of the independent directors.

Functions as Liaison with the Chair and CEO

- Serves as liaison between the independent directors and the Chair and CEO.

Assists with ensuring that appropriate information is provided to the Board, such as board meeting agendas and schedules

- Reviews meeting agendas sent to the Board, and, where appropriate, other information provided to the Board, ensuring the quality, quantity, appropriateness and timeliness of such information.
- Facilitates the Board’s approval of the number and frequency of Board meetings.
- Reviews meeting schedules to assure that there is sufficient time for discussion of all agenda items.

Stockholder Communication

- If requested by stockholders, ensures that he/she is available, when appropriate, for consultation and direct communication.

Other

- Perform such other duties and have such other responsibilities as the Board or the independent directors may from time to time delegate to the Lead Independent Director.

The Lead Independent Director is appointed at the discretion of the independent directors and may be removed or replaced by the independent directors at any time.