

## STATEMENT OF POLICY ON SECURITIES TRADING

### 1. Purpose

\_\_\_\_\_ (the “Company”) has adopted the following Statement of Policy on Securities Trading (the “Policy”) governing trading by Company personnel in the company’s securities, as well as the securities of certain other companies who have a relationship with Company. This Policy is commonly referred to as Company’s Insider Trading Policy.

### 2. Overview (Summary of Policies Against Insider Trading)

In the normal course of business, you may become aware of or otherwise come into possession of information regarding Company or its business that is “material, non-public information” (as that term is defined below). Company’s policy is that all Company personnel are prohibited from buying or selling Company securities while aware of “material, non-public information,” other than pursuant to a Qualified Trading Plan (as defined below) that complies with Rule 10b5-1 under the Securities Exchange Act of 1934. Company’s policy also prohibits passing on the information to others to enable them to profit from trading in Company securities (referred to as “tipping”).

In addition, it is also Company’s policy that, if you become aware of “material, non-public information” regarding another company which has a relationship with Company or its business (such as customers, suppliers, vendors or other business partners) that you obtained by virtue of your position at Company, then, similarly, you are prohibited from buying or selling that company’s securities while you are aware of this information, and you are prohibited from passing on the information to others to enable them to profit from it by trading in that company’s securities.

The purpose of this Policy is both to inform you of your legal obligations and to make clear to you that the misuse of “material, non-public information” is contrary to Company policy, as well as federal and state law, and is subject to severe penalties, including termination of employment.

To protect both you and Company, and to avoid even the appearance of impropriety, we have adopted the following policies, which are more fully explained below:

- Trading in securities of Company while you are aware of “material, non-public information” is strictly prohibited;
- Members of the Company Board of Directors, Section 16 Officers (as designated by the Company Board of Directors), all Senior Vice Presidents, all Vice Presidents (other than any Vice President who does not have regular access to material, non-public information regarding Company), and all other Company personnel (without regard to title) who have regular access to material, non-public information regarding Company (generally referred to as “Insiders”) are only permitted to trade in Company securities during the “trading window”;

- Trading in securities of another company which has a relationship with Company or its business while you are aware of “material, non-public information” regarding that company obtained by virtue of your position at Company is strictly prohibited;
- Company employees and members of the Company Board of Directors are prohibited from engaging in any speculative transactions in Company securities, including engaging in short sales, engaging in transactions in put options, call options or other derivative securities, or engaging in any other forms of hedging transactions, such as collars or forward sale contracts; and
- Section 16 Officers and members of the Company Board of Directors are prohibited from holding Company securities in a margin account as collateral for a loan, or otherwise pledging Company securities as collateral for a loan.

These policies are explained in detail below.

### **3. Scope (Company Personnel Subject to the Policy)**

As described in more detail below, this Policy applies to the following Company personnel (referred to in this Policy as “Company personnel”):

- All employees of Company and its worldwide subsidiaries;
- All members of the Company Board of Directors; and
- All consultants, contractors and other personnel providing services to Company or its worldwide subsidiaries (“consultants/contractors”).

Importantly, this Policy also applies to all family members of any Company personnel if they live in the same household or are their dependents. In addition, this Policy applies to all corporations, partnerships, limited liability companies, trusts and other entities that are controlled by any Company personnel or by their family members who live in the same household or are their dependents. All such family members and entities are considered Company personnel for purposes of this Policy to the same extent as if they were employees, members of the Company Board of Directors, or consultants/contractors, as applicable.

### **4. Policy Statement(s)**

#### **4.1 Policy Against Trading While in Possession of “Material, Non-Public Information”**

Trading in the securities of a company while you are in possession of “material, non-public information” relating to that company is a serious crime. The penalties include fines of up to \$5,000,000, jail sentences of up to 20 years and civil penalties of up to three times the profits made or losses avoided. Those trading on “inside information” must also

disgorge any profits made, and are often subjected to an injunction against future violations. They may also be subject to civil liability in private lawsuits.

In addition, under federal law, employers and other “controlling persons” (including the Board of Directors and company management) may also be subject to prosecution for insider trading by employees or others for whom they are responsible. Employers and other controlling persons may, among other things, face civil penalties of up to \$1,000,000 (or, if larger, up to three times the profits made or losses avoided), criminal penalties of up to \$5,000,000 for individuals and \$25,000,000 for companies, and other penalties if they fail to take steps to prevent and control trading on inside information.

---

Accordingly, it is extremely important both to you and to Company that you do not trade while you are aware of material, non-public information. For this reason Company has adopted the following policy, which applies to all Company personnel worldwide:

**It is Company’s policy that, if you are aware of material, non-public information relating to Company or its business, you may not buy or sell Company securities or engage in any other action to take advantage of that information, including passing that information on to others. In addition, it is Company’s policy that if you are aware of material, non-public information about any other company, including our customers, suppliers, vendors or other business partners, that you obtained by virtue of your position at Company, then you may not buy or sell that company’s securities or engage in any other action to take advantage of that information, including passing that information on to others.**

**This Policy applies to all Company personnel as well as to all family members of Company personnel who are living in the same household or are otherwise dependents of Company personnel and to all corporations, partnerships, limited liability companies, trusts and other entities that are controlled by any Company personnel or by their family members who are living in the same household or are their dependents.**

Violation of this Policy is grounds for disciplinary action, including termination of employment. There are no exceptions for transactions that may be necessary or justifiable for independent reasons or to meet emergency expenditures, or for transactions planned before you learned the material, non-public information. If you are aware of material, non-public information covered by the foregoing policy, you may not trade in the affected securities.

As set forth in this Policy, you are also prohibited from “tipping” others by passing on information to anyone, including friends or family members, who trade on that information. Besides being illegal, tipping is also a serious breach of corporate confidentiality. For this reason, you should be careful to avoid discussing sensitive information in any place where others may hear the information (for instance, at lunch, on public transportation, or in elevators).

You should be aware that the United States Securities and Exchange Commission (SEC), NASDAQ and the Financial Industry Regulatory Authority (FINRA) employ extremely sophisticated stock market surveillance techniques, and there is a very high likelihood that federal or other regulatory authorities will detect and prosecute insider trading violations involving even small dollar amounts. In the event of a prosecution, Company will also take appropriate disciplinary action. In addition, if Company becomes aware of insider trading by Company personnel, Company may inform the appropriate governmental authorities. The risk of trading on material inside information is simply not worth taking.

Any Company personnel who trades Company securities while in the possession of material, non-public information or who provides this information to others will be subject to significant disciplinary action, including dismissal. No exceptions will be made to this Policy, even where the transaction is very small or where the individual planned to make the transaction before learning the information. If you know or suspect that an employee or other Company personnel has violated this Policy, we encourage you to call either the Ethics Office or the Company Legal Department. You are free to do so on an anonymous basis.

---

## 4.2 Definition of “Material, Non-Public Information”

“Material” information is information that a reasonable investor would consider important in a decision to buy, sell or hold stock or other securities. There is no clear list of information that is considered “material,” and a determination will generally depend on the specific circumstances. As a general rule of thumb, if you have or acquire information that leads you to want to buy or sell stock, that information is likely to be considered “material.” In short, any information that could reasonably affect the price of a stock is “material.” Examples of material information include:

- Quarterly or annual financial results or whether such results will meet analyst expectations;
- Significant changes in the level of sales, orders or expenses;
- Contract negotiations with a potentially significant new customer;
- Loss of a major customer or supplier;
- Major new product developments;
- Serious product defects or product recalls;
- Terminations or end of life of major products;
- Merger negotiations or pending significant acquisitions or dispositions of assets;
- Developments in major litigation;
- Significant personnel or management changes; and
- Declaration of stock splits, dividends or stock repurchases.

If you are in doubt as to whether any non-public information is “material” information, you should presume that the information is material until you speak with an appropriate attorney in the Company Legal Department.

“Non-public” information is any information that is not broadly disseminated to the investing public. Keep in mind that once Company releases information through public channels (for instance, a press release or SEC filing), this information is not immediately regarded as having been broadly disseminated, as it takes some time for this information to

be absorbed by the public. For the purposes of this Policy, information will be considered public (i.e., no longer “non-public”) on the third (3<sup>rd</sup>) trading day following the widespread public release of the information by Company or other public company, as the case may be.

In order to avoid disclosure of material, non-public information to parties outside of Company, you should refer inquiries from analysts, shareholders, reporters and others outside of the company regarding Company’s financial performance, operating results, projections, or other financial information to the Chief Financial Officer or to the Investor Relations department. This includes requests by financial analysts or others to corroborate or comment upon various elements of their financial projections for Company.

If you have any concerns about whether you are in possession of material, non-public information, you should contact an appropriate attorney in the Company Legal Department before you buy or sell Company securities.

#### **4.3 Trading Window for Company Personnel with Regular Access to Material, Non-Public Information**

In order to avoid even the appearance of impropriety, Company has adopted a policy that certain Company personnel who regularly are exposed to or have access to material, non-public information may only trade in Company securities during certain established trading periods (referred to as the “trading window”).

The Company personnel subject to this trading window policy include (i) all members of the Company Board of Directors, (ii) all Section 16 Officers, (iii) all Senior Vice Presidents, (iv) all Vice Presidents (other than any Vice President who does not have regular access to material, non-public information regarding Company), and (v) all other Company personnel (regardless of title) who regularly are exposed to or have access to material, non-public information (referred to as “Insiders”). This last category would generally include certain Company personnel in the Finance, Legal and Human Resources Departments (including administrative personnel), and certain senior officers and directors of our worldwide subsidiaries, who may from time to time be exposed to or have access to material, non-public information regarding Company.

The trading window policy also applies to all family members of any Insider if they live in the same household or are their dependents and all corporations, partnerships, limited liability companies, trusts and other entities that are controlled by the Insider or by their family members who live in the same household or are their dependents.

The trading window opens (*i.e.*, trading is permissible) on the third (3<sup>rd</sup>) trading day after Company releases

information to the financial community about the prior quarter’s financial results. The trading window closes (*i.e.*, trading is prohibited) at the close of trading on the last day of the second month of each fiscal quarter. In addition, the General Counsel may close the trading window at any time. Insiders may not disclose to any outside third party that the trading window has been closed in this manner.

**The opening of the trading window as outlined in this section does not in any way override the policy expressed in section 4.1 above prohibiting trading in Company**

**securities while in possession of material, non-public information. As noted in section 4.2, there can, of course, be material, non-public information about Company with reference to matters other than the quarterly financial results, and this information can arise at any time. If you become aware of material, non-public information during a period when the trading window is otherwise open, you may not buy or sell Company securities until the information of which you are aware has been broadly disseminated or has become immaterial.**

If you have any questions as to whether you are an Insider, you must contact one of the appropriate attorneys in the Company Legal Department before engaging in transactions involving Company securities while the trading window is closed.

Stock Option Exercises. Company personnel subject to the trading window who wish to exercise their outstanding stock options for Company stock must abide by the following guidelines:

- If the stock option is being exercised with a cash payment or with shares of Company common stock, without the concurrent sale of the purchased shares, then the exercise is not required to occur while the trading window is open.
- If the stock option is being exercised in connection with a same-day sale program or other concurrent sale of Company stock, the exercise and sale must occur while the trading window is open, unless the shares are to be sold pursuant to a “Qualified Trading Plan,” as described below.

Employee Stock Purchase Plan. Purchases of Company common stock on the specific purchase dates applicable under the Employee Stock Purchase Plan (“ESPP”) are not subject to this Policy. However, the Policy does apply to an employee’s election to participate in the ESPP for any enrollment period, and all subsequent sales of ESPP shares are governed by the trading window restrictions.

#### **4.4 Qualified Trading Plans (or Rule 10b5-1 Plans)**

The trading window restrictions set forth above will **not** apply to any purchase or sale of Company securities made by an Insider pursuant to a “Qualified Trading Plan,” as described below.

The SEC has adopted certain rules that allow an Insider to purchase and sell securities, even when the Insider is aware of material, non-public information, so long as the Insider’s transactions are pursuant to a Qualified Trading Plan (commonly referred to as a Rule 10b5-1 Plan) that was implemented before the Insider became aware of the information. Similarly, Company’s policy set forth in section 4.1 above and the trading window restrictions set forth in section 4.3 above will not apply to any purchase or sale of securities pursuant to a Qualified Trading Plan. In order to qualify for these exceptions, you must adopt a Qualified Trading Plan under which purchases or sales are made under a pre-determined written plan and without your subsequent discretion or control. A Qualified Trading Plan may only be adopted by you when you are not aware of material, non-public information regarding

Company. Additionally, if you are an Insider you may only adopt a Qualified Trading Plan while the trading window is open.

In order to adopt a Qualified Trading Plan, you must contact an experienced and sophisticated stockbroker or financial advisor who can help you prepare a written Qualified Trading Plan. These plans must comply with a set of complicated rules issued by the SEC, and must be pre-cleared by Company's General Counsel. Although the General Counsel reviews these plans from Company's perspective, the employee adopting a plan bears the responsibility for the plan's compliance with all regulatory provisions so that the plan protects the employee. Company reserves the right to publicly disclose the terms of any Qualified Trading Plan.

A "Qualified Trading Plan" is a written plan for purchasing and/or selling Company securities that conforms to all the requirements of SEC Rule 10b5-1 as then in effect.

#### 4.5 Prohibition on Speculative Trading and Hedging Transactions

Company believes it is improper and inappropriate for employees and members of the Company Board of Directors to engage in speculative transactions in which they may benefit from a decline in Company's stock price, such as short sales. Short sales of Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore may signal to the market a seller's lack of confidence in Company. In addition, short sales may reduce the seller's incentive to improve Company's performance in the future.

Company also believes it is improper and inappropriate for employees and members of the Company Board of Directors to engage in speculative transactions in which they may benefit from the short-term movement or performance of Company's stock price, such as transactions in put options, call options or other derivative securities. Transactions in options may create an appearance that such transactions are based on inside information.

Further, Company believes it is improper and inappropriate as a general proposition for employees and members of the Company Board of Directors to engage in other forms of hedging transactions, such as collars and forward sale contracts because these types of arrangements would in most cases allow employees and members of the Company Board of Directors to lock in much of the value of their stock holdings from exercise of options or with respect to vested and unexercised options often in exchange for all or part of the potential upside appreciation in the stock. If that occurred, employees and members of the Company Board of Directors would no longer have the same objectives as Company's other shareholders in respect of the shares covered by such arrangements.

**Therefore, Company's policy is that employees and members of the Company Board of Directors may not engage in any speculative transactions in Company securities, including engaging in short sales, engaging in transactions in put options, call options or other derivative securities, or engaging in any other forms of hedging transactions, such as collars or forward sale contracts because of the divergence it could create between objectives of employees and members of the Company Board of Directors, and other shareholders.**

In addition to the speculative transactions described above in this section 4.5, Company also advises you that engaging in active, short-term trading in Company stock could be viewed as speculative in nature and may create the appearance that the transactions are based on inside information.

#### 4.6 Margin Accounts and Pledged Securities

This Policy does not preclude Company personnel (other than Section 16 Officers and members of the Company Board of Directors) from holding Company securities in a margin account or from pledging Company securities as collateral for a loan. However, a sale of Company securities pursuant to a margin call or loan foreclosure, even if you are not aware of such sale, may be deemed to be your sale and, therefore, could violate this Policy if it occurs at a time when you are aware of material, non-public information or you are otherwise not permitted to trade in Company securities. Consequently, any Company personnel holding Company securities in a margin account or pledging such securities as collateral for a loan must undertake to prevent the sale of those Company securities at any time when such Company personnel would be precluded from trading under this Policy.

**Because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material, non-public information (or otherwise is not permitted to trade in Company securities) Section 16 Officers and members of the Company Board of Directors are prohibited from holding Company securities in a margin account as collateral for a loan, or otherwise pledging Company securities as collateral for a loan.**

#### 4.7 Special Rules Applicable to Section 16 Officers and the Company Board of Directors

Section 16 Officers (as designated by the Company Board of Directors) and members of the Company Board of Directors are subject to additional restrictions and requirements in connection with their purchases, sales and other transactions in the securities of Company. These include (i) the requirement under Rule 144 to file a Form 144 with the SEC upon any sale, (ii) the “short-swing profit” restrictions on purchases and sales within any six-month period under Section 16(b) of the Securities Exchange Act of 1934, and (iii) the requirements to file with the SEC reports of all purchases, sales or other transactions under Section 16(a) of the Securities Exchange Act of 1934.

**Form 144 Filing Requirement.** If you are a Section 16 Officer or a member of the Company Board of Directors, you or your broker must file a Form 144 under Rule 144 with the SEC in connection with any sale of Company securities. The Form 144 must be transmitted for filing to the SEC concurrently with either the placing with a broker of an order to execute a sale of securities in reliance upon Rule 144 or the execution directly with a market maker of such a sale. Most brokers will either assist with or make this filing on behalf of the individual.

**Section 16(b) “Short-Swing Profit” Restriction.** All Section 16 Officers and all members of the Company Board of Directors are also bound by the SEC’s short-swing profit rules under Section 16(b) of the Securities Exchange Act of 1934, which effectively prohibits the purchase and sale, or sale and purchase, of Company securities within any six-month period.

**Section 16(a) Filing Requirements.** Finally, all Section 16 Officers and all members of the Company Board of Directors are subject to the reporting requirements under Section

16(a) of the Securities Exchange Act of 1934. Under these requirements, all Section 16 Officers and all members of the Company Board of Directors must report any changes in their “beneficial ownership” of Company stock by filing a Form 4 with the SEC no later than the second (2<sup>nd</sup>) business day following the day on which the transaction occurs. This reporting requirement applies to most acquisitions and dispositions of Company securities, including sales, purchases, distributions from partnerships, grants of stock awards, vesting of stock unit awards and exercises of stock options. For example, for same-day exercises and sales of stock options, the two-business day reporting requirement runs from the date the option is exercised and the shares are sold, not the transaction settlement date.

The reporting requirements under Section 16(a) of the Securities Exchange Act of 1934 apply to acquisitions and dispositions of Company securities “beneficially owned” by all Section 16 Officers and all members of the Company Board of Directors. For purposes of Section 16 of the Securities Exchange Act of 1934, a person is deemed to beneficially own any security from which the person can derive a direct or indirect pecuniary benefit. A person is considered the direct owner of all equity securities held in the person’s own name or held jointly with others. A person also is considered the indirect owner of any securities from which such person obtains benefits substantially equivalent to those of ownership. Thus, equity securities of Company beneficially owned through partnerships, corporations, trusts, estates and family members may be subject to reporting. Generally, a person is presumed to be the beneficial owner of securities held by his or her spouse and family members sharing his or her home.

---

In order to facilitate compliance with these filing requirements, Company requires all Section 16 Officers and all members of the Company Board of Directors to comply with all of the following:

- (i) Provide pre-notification to Company of all proposed transactions (including gifts, option exercises or other non-market transactions) in Company securities;
- (ii) Encourage and request all brokers handling transactions to provide immediate communication to Company regarding those transactions; and
- (iii) Execute a power-of-attorney to authorize specifically designated Company representatives to sign Forms 3, 4 and 5 reports on their behalf.

## **5. Policy Compliance**

Policy compliance requirements are as follows:

### **5.1 Compliance Measurement**

Compliance with Company policies is required. Compliance to this policy is verified through various methods, including but not limited to, reports from available business tools, internal and external audits, self-assessment, and/or feedback to the policy owner.

### **5.2 Non-Compliance**

Compliance with Company policies is required. Deviations or non-compliance with this policy, including attempts to circumvent the stated policy/process by bypassing or knowingly manipulating the process, system, or data may result in disciplinary actions, up to and including termination, as allowed by local laws.

### **5.3** Questions

If you have any questions about the scope or application of this Policy, please contact \_\_\_\_\_.