

Revised Effective June 14, 2017

AEVI GENOMIC MEDICINE, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

This Code of Business Conduct and Ethics (the “Code”) is established pursuant to the U.S. Sarbanes Oxley Act of 2002 and the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) thereunder, as well as the NASDAQ Stock Market Rules. This Code is applicable to all directors, officers and employees of Aevi Genomic Medicine, Inc. (“Aevi”) and its wholly-owned subsidiary, Medgenics Medical Israel Ltd. (together with any other subsidiaries as may exist from time to time and together with Aevi, the “Company”).

Maintaining the highest standard of ethics in the conduct of the Company’s business is the Company’s policy and has always been an integral part of the Company’s culture. The Company’s reputation for ethical business practices is one of the Company’s most valued assets. The Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide officers, directors and employees of the Company. All of the Company’s officers, directors and employees must use good common sense and judgment to conduct themselves accordingly and seek to avoid even the appearance of improper behavior.

The Board of Directors of the Company (the “Board”) shall be responsible for monitoring compliance with the Code and shall assess the adequacy of the Code periodically and approve any changes to the Code. The Board has designated the Company’s Chief Financial Officer to be the compliance officer (the “Compliance Officer”) for the implementation, interpretation and administration of the Code. In the event that employees encounter an ethical issue where this Code or other Company policies do not expressly provide an answer, or in the event that employees encounter a situation where they believe a law, rule or regulation is unclear or conflicts with a provision of the Code, they are encouraged to contact the Compliance Officer or any other executive officer of the Company, or use one of the other resources described in the Code.

The Code will be strictly enforced. All managers and supervisors are required to enforce the Code and are not permitted to sanction or condone violations. There will be serious adverse consequences to any employee for non-adherence to the Code, which may include disciplinary action, up to and including termination, restitution, reimbursement or referral of the matter to government authorities. Discipline may also be imposed for conduct that is considered unethical or improper or prejudicial to the reputation of the Company, even if the conduct is not specifically covered by the Code.

1. Complying With Law

All employees, officers and directors of the Company must respect and comply with all applicable laws, rules and regulations of the United States and other countries and jurisdictions, in which the Company conducts its business or within which it is from time to time regulated or in which its shares are traded in any way.

Such legal compliance includes, without limitation, compliance with laws related to intellectual property rights, bribery and/or corruption, money laundering, data protection, financial reporting, antitrust, privacy, sexual harassment and nondiscrimination. This also includes compliance with all “insider trading” prohibitions applicable to the Company and its employees, officers and directors including, the Company’s Insider Trading Policy, a copy of which appears as Exhibit A hereto (the “Insider Trading Policy”). Generally, employees, officers and directors who have access to or knowledge of confidential or non-public information from or about the Company or developments in its business are not permitted to buy, sell or otherwise deal in the Company securities, whether or not they are using or relying upon that information. This restriction extends to sharing or tipping others about such information, especially since the individuals receiving such information might utilize such information to deal or refrain from dealing in the Company securities.

This Code does not summarize all laws, rules and regulations applicable to the Company and its employees, officers and directors. Company employees, officers and directors are encouraged to consult with the Company’s Compliance Officer if they have questions regarding any compliance issues, including any insider trading prohibitions.

2. Conflicts Of Interest

All employees, officers and directors of the Company should be scrupulous in avoiding a conflict of interest with regard to the Company’s interests. A “conflict of interest” exists whenever an individual’s private interests directly or indirectly interfere or conflict in any way (or could appear to interfere or conflict) with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest may also arise when an employee, officer or director, or members of his or her family, receives improper personal benefits as a result of his or her position in the Company, whether received from the Company or a third party. Loans to, or guarantees of obligations of, employees, officers and directors and their respective family members may create conflicts of interest. U.S. Federal law prohibits loans by the Company to directors and executive officers.

Conflicts of interest are prohibited as a matter of Company policy, except under guidelines approved by the Board or empowered committees of the Board. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with higher levels of management. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of the Company’s Chairman of the Board or the Company’s outside legal counsel or a supervisor, manager or other appropriate personnel or consult the procedures described in this Code. Any director who becomes aware of a conflict or potential conflict should bring it to the attention of the Nominating and Corporate Governance Committee and the Company’s Chairman of the Board or the Company’s outside legal counsel or his or her designee.

3. Corporate Opportunity

Employees, officers and directors owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Employees, officers and directors are prohibited from (a)

taking for themselves personally opportunities that properly belong to the Company or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain; and (c) competing with the Company, directly or indirectly.

4. Confidentiality

Employees, officers and directors of the Company must maintain the confidentiality of confidential information entrusted to them by the Company or its suppliers or customers, except when disclosure is authorized by the Company's Chairman of the Board or the Company's outside legal counsel or required by laws, regulations or legal proceedings. Whenever feasible, employees, officers and directors should consult the Company's Chairman of the Board or the Company's outside legal counsel if they believe they have a legal obligation to disclose confidential information. Confidential information includes all non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers if disclosed or is price sensitive. The obligation to preserve confidential information continues even after employment with the Company ends.

5. Fair Dealing

Each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, competitors, officers and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

6. Protection and Proper Use of Company Assets

All employees, officers and directors should protect the Company's assets (including, for the avoidance of doubt, the Company's intellectual property) and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes.

7. Communication and Transactions with Medical and Scientific Communities

The Company is committed to communicating with healthcare professionals and organizations about its products in an accurate, balanced, appropriate and not misleading manner, and in compliance with all applicable laws. All employees, officers and directors should endeavor to support this commitment. The Company seeks feedback from the medical and scientific communities, working with them to advance scientific and clinical research in a manner that supports patients and complies with all applicable laws and ethical standards. The Company respects the need for healthcare professionals to make independent clinical decisions with respect to how they treat their patients. The Company's interactions with healthcare professionals and organizations are supported by legitimate business needs and are never intended or designed to reward or improperly influence business and, as such, all employees, officers and directors should comply with all applicable laws and regulations, including any anti-kickback laws and regulations.

8. Public Communication

The Company must monitor public communication about the Company in order to maintain credibility and a positive reputation in the community. News media can have a direct impact on the Company's financial condition and its ability to achieve its mission. The Company's policy is to provide timely, accurate and complete information in response to media inquiries consistent with its obligations to maintain the confidentiality of proprietary information and to prevent selective disclosure of market-sensitive financial and other material information. The Company is also required by federal securities laws to publicly disclose all material, non-public information that has been provided to securities professionals or shareholders. In order for the Company to manage its public reputation and comply with applicable laws, employees must direct any news media or public requests for information to the Compliance Officer, or his or her designee, who will assist in evaluating the inquiry and creating an appropriate response to the request.

9. Social Media

The Company respects the right of employees to use social media tools as a form of self-expression, for networking and research and, in some cases, for furthering the Company's interests. However, when participating in social media platforms or online conversations that reference the Company (or an employee's relationship with the Company) it is expected that all employees take reasonable steps to ensure that he or she is not seen as speaking for or acting on behalf of the Company, and that all content is appropriate.

10. Accounting Complaints

The Company's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Company. If any employee, officer or director of the Company has concerns or complaints regarding questionable accounting or auditing matters of the Company, then he or she is encouraged to submit those concerns or complaints (anonymously, confidentially or otherwise) to the Audit Committee of the Board of Directors (which will, subject to its duties arising under applicable law, regulations and legal proceedings, treat such submissions confidentially). Such submissions may be directed to the attention of the Audit Committee, or any director who is a member of the Audit Committee, at the principal executive offices of the Company. Alternatively, employees, officers or directors may use the Company's Whistleblower Hotline to share such concerns or complaints.

11. Reporting Any Illegal or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and, when in doubt, about the best course of action in a particular situation. Employees, officers and directors who are concerned that violations of this Code or that other illegal or unethical conduct by employees, officers or directors of the Company have occurred or may occur should contact either their supervisor or superiors. If they do not believe it appropriate or are not comfortable approaching their supervisors or superiors about their concerns or complaints, then they may contact either the Chairman of the Board of the Company or the Audit Committee, or make a report through the Company's Whistleblower Hotline. If their concerns or complaints require confidentiality, including

keeping their identity anonymous, then this confidentiality will be protected, subject to applicable law, regulation or legal proceedings.

12. No Retaliation

The Company will not permit retaliation of any kind by or on behalf of the Company and its employees, officers and directors against good faith reports or complaints of violations of this Code or other illegal or unethical conduct.

13. Reporting Integrity; Public Company Reporting

The Company has an obligation to make and keep books, records and accounts that, in reasonable detail, accurately and fairly reflect the Company's transactions and to maintain tax records and prepare tax returns that comply with applicable laws, rules and regulations. The Company must also maintain a system of internal accounting controls that meet applicable laws, rules and regulations, and prepare financial statements in accordance with generally accepted accounting principles and applicable laws, rules and regulations. All employees who are responsible for any aspect of the Company's internal accounting controls and financial and tax reporting systems (including, but not limited to, the Chief Executive Officer, the Compliance Officer and the Company's accounting staff) must conduct themselves using high ethical standards of integrity and honesty, in a manner that allows the Company to meet accounting and legal requirements and to prepare financial reports and financial statements that are not false or misleading, and that present full, fair, accurate, timely and understandable disclosure in the Company's periodic reports and other public communications. In addition, as a public company, it is of critical importance that the Company's filings with the SEC and any other regulatory bodies be accurate and timely. Depending on their position with the Company, an employee, officer or director may be called upon to provide necessary information to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt accurate answers to inquiries related to the Company's public disclosure requirements.

14. Violations

Violations of this Code, including failures to report potential violations of others, will be viewed as a severe disciplinary matter that may result in personnel action, including termination of employment.

15. Amendment, Modification and Waiver

This Code may be amended or modified by the Board, subject to the disclosure requirements and other provisions of the Securities Exchange Act of 1934 and the rules promulgated thereunder and the applicable rules of the NASDAQ Stock Market Rules. Requests for a waiver of a provision of the Code must be submitted in writing to the Compliance Officer for appropriate review, and the Compliance Officer, the Board or an appropriate Board committee will decide the outcome. The Audit Committee shall review any conduct of executive officers or directors of the Company that is or may be in violation of the Code. A waiver of any provision of the Code for an executive officer or director must be approved by the Audit Committee or the Board, while a waiver for any other employee may be approved by the Compliance Officer and

then only under special circumstances. Any waiver approved by the Audit Committee or the Board for executive officers and directors and the reason for the waiver will be promptly disclosed to the Company's stockholders, if required by and in accordance with applicable laws, rules and regulations

EXHIBIT A INSIDER TRADING POLICY

This insider trading policy (the “Policy”) Policy provides prohibitions and guidelines to directors, officers and employees of, and consultants to, Aevi Genomic Medicine, Inc. and its subsidiaries (collectively, the “Company”) with respect to purchasing and selling Company securities or derivatives thereof.

Applicability of Policy

This Policy applies to all transactions in Company securities, including its common stock and any other securities that the Company may issue from time to time, as well as derivative securities relating to Company stock, whether issued by the Company (e.g., employee, director or consultant stock options, warrants or convertible preferred stock or debt) or issued by a third party (e.g., exchange-traded options). The Policy applies to all directors and officers of the Company, and any employees of, or consultants to, the Company who receive or have access to Material Nonpublic Information (as defined below) with respect to the Company. This Policy applies to their family members who reside with them (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in their household, and any family members who do not live in their household but whose transactions in Company securities are directed by the director, officer, employee or consultant or are subject to their influence or control, such as parents or children who consult with such person before they trade in Company securities (collectively referred to as “Family Members”). This Policy does not, however, apply to personal securities transactions of Family Members where the purchase or sale decision is made by a third party not controlled by, influenced by or related to the director, officer, employee or consultant or their Family Members. This Policy also applies to any entities that the director, officer, employee or consultant influences or controls, including any corporations, partnerships or trusts (collectively referred to as “Controlled Entities”). All such persons who receive or have access to Material Nonpublic Information and their Family Members and Controlled Entities are referred to collectively in this Policy as “Insiders.” In addition, this Policy applies to any person, whether or not related to an Insider, who receives Material Nonpublic Information directly from an Insider.

Any person who possesses Material Nonpublic Information regarding the Company is an Insider under this Policy for so long as the information that he or she possesses has not been publicly disclosed by the Company and not been allowed to disseminate in the market. While directors and officers may be Insiders on a regular and somewhat continuous basis, any employee or consultant can be an Insider from time to time depending upon the type of information that the employee or consultant comes into contact with in the performance of his or her duties with the Company.

General Statement of Policy

Persons subject to this Policy have ethical and legal obligations to maintain the confidentiality of information about the Company and to not engage in transactions in Company securities while in possession of Material Nonpublic Information. Each individual is responsible for making sure that he or she complies with this Policy, and that each Family Member and

Controlled Entity also complies with this Policy. In all cases, the responsibility for determining whether an individual is in possession of Material Nonpublic Information rests with that individual, and any action on the part of the Company, the Compliance Officer or any other employee or director pursuant to this Policy (or otherwise) does not in any way constitute legal advice or insulate an individual from liability under applicable securities laws. You could be subject to severe legal penalties and disciplinary action by the Company for any conduct prohibited by this Policy or applicable securities laws. There are no exceptions to this Policy, except as specifically noted herein. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure), or small transactions, are not excepted from this Policy. The securities laws do not recognize any mitigating circumstances, and, in any event, even the appearance of an improper transaction must be avoided to preserve the Company's reputation for adhering to the highest standards of conduct.

Specific Prohibitions Applicable to All Insiders

I. Purchasing or Selling on Material Nonpublic Information

Insiders shall not purchase, sell, offer to purchase or offer to sell any Company stock or other securities, including any derivative securities relating to Company stock, during any period that he or she possesses Material Nonpublic Information regarding the Company. The sole exception to this prohibition is if the purchase, sale, offer to purchase or offer to sell is made in accordance with a preexisting, written plan or arrangement complying with Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and approved in advance by the Company. During the period that the Insider possesses Material Nonpublic Information and absent a preexisting written plan or arrangement pursuant to Rule 10b5-1, an Insider must forgo a proposed transaction in Company securities, even though he or she may have planned to make the purchase or sale before learning of the Material Nonpublic Information and even though failure to execute the purchase or sale may result in an economic loss to, or the nonrealization of anticipated profit by, the Insider. Bona fide gifts of securities are not transactions subject to this Policy.

II. Tipping of Material Nonpublic Information

An Insider shall not disclose ("tip") Material Nonpublic Information to any person (including a family or household member) who is not specifically authorized by the Company to have access to such information. If the Material Nonpublic Information is used by the person tipped by the Insider to purchase or sell Company securities, the Insider will be legally responsible for the consequences of the purchase or sale as if he or she was purchasing or selling for his or her own account. Likewise, an Insider shall not make any recommendation or express opinion about Company securities to any other person on the basis of Material Nonpublic Information regarding the Company, even if the Insider does not actually tip the Material Nonpublic Information to the other person.

III. Confidentiality of Material Nonpublic Information

All Material Nonpublic Information relating to the Company is the property of the Company and the Company has the sole and exclusive right to determine how and when to disclose such information to the public. Unless specifically authorized by the Company, no Insider may disclose Material Nonpublic Information publicly or otherwise.

IV. Definition of Material Nonpublic Information

It is not possible to define all categories of material information concerning the Company. However, information should be treated as “Material Nonpublic Information” if there is a reasonable likelihood that the information would be considered important to a reasonable investor in making an investment decision with respect to the purchase or sale of Company securities, and the information has not been previously disclosed by the Company to the general public. In all cases in which an Insider is not certain that information in his or her possession is Material Nonpublic Information, the Insider should exercise caution and treat the information as if it is Material Nonpublic Information. Information is considered “material” if a reasonable investor would consider that information important in making a decision to buy, hold or sell securities. There is no bright-line standard for assessing materiality; rather, materiality is based on an assessment of all of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. While it is not possible to define all categories of material information, some examples of information that ordinarily would be regarded as material are:

- Projections of future earnings or losses, or other earnings guidance;
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A pending or proposed joint venture;
- A Company restructuring;
- Significant related party transactions;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Bank borrowings or other financing transactions out of the ordinary course;
- The establishment of a repurchase program for Company securities;
- Significant developments in the Company research and development or clinical trials;
- A change in management;
- A change in auditors or notification that the auditor’s reports may no longer be relied upon;
- Development of a significant new product, process, or service;
- Pending or threatened significant litigation, or the resolution of such litigation;
- Impending bankruptcy or the existence of severe liquidity problems; or
- The gain or loss of a significant customer, supplier, joint venturer or partner.

Information that has not been disclosed to the public is generally considered to be nonpublic information. In order to establish that the information has been disclosed to the public,

it may be necessary to demonstrate that the information has been widely disseminated. Information generally would be considered widely disseminated if it has been disclosed through the Dow Jones “broad tape,” newswire services, a broadcast on widely-available radio or television programs, publication in a widely-available newspaper, magazine or news website, or public disclosure documents filed with the U.S. Securities and Exchange Commission (the “SEC”) that are available on the SEC’s website. By contrast, information would likely not be considered widely disseminated if it is available only to the Company’s employees, or if it is only available to a select group of analysts, brokers and institutional investors.

Once information is widely disseminated, it is still necessary to afford the investing public with sufficient time to absorb the information. As a general rule, information should not be considered fully absorbed by the marketplace until after the second business day after the day on which the information is released. If, for example, the Company were to make an announcement on a Monday, you should not trade in Company securities until Thursday. Depending on the particular circumstances, the Company may determine that a longer or shorter period should apply to the release of specific material nonpublic information.

V. Additional Guidance

The Company considers it improper and inappropriate for those employed by or associated with the Company to engage in short-term or speculative transactions in the Company securities or in other transactions in Company securities that may lead to inadvertent violations of the insider trading laws. Accordingly, your trading in Company securities is subject to the following additional guidance.

Short Sales. You may not engage in short sales of the Company securities (sales of securities that are not then owned), including a “sale against the box” (a sale with delayed delivery).

Publicly-Traded Options. You may not engage in transactions in publicly-traded options related to the Company securities, such as puts, calls and other derivative securities, on an exchange or in any other organized market.

Margin Accounts and Pledges. Securities held in a margin account or pledged as collateral for a loan may be sold without your consent by the broker if you fail to meet a margin call or by the lender in foreclosure if you default on the loan. Because a margin or foreclosure sale may occur at a time when you are aware of Material Nonpublic Information or otherwise are not permitted to trade in Company securities, you are prohibited from holding Company securities in a margin account or pledging Company securities as collateral for a loan. An exception to this prohibition may be granted where you wish to pledge Company securities as collateral for a loan (not including margin debt) and clearly demonstrate the financial capacity to repay the loan without resort to the pledged securities. If you wish to pledge Company securities as collateral for a loan, you must submit a request for approval to the Chairman of the Board of Directors, who may consult with securities counsel regarding your request, at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.

Hedging Transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, involve the establishment of a short position in the Company securities and limit or eliminate your ability to profit from an increase in the value of the Company securities. Therefore, you are prohibited from engaging in any hedging or monetization transactions involving Company securities.

Guidelines for Purchasing or Selling Company Stock or Other Securities by Permanent Insiders

VI. Permanent Insiders

Because of their position with the Company, persons who are “Permanent Insiders” will be automatically deemed to possess Material Nonpublic Information regarding the Company from time to time throughout the year. During Blackout Periods (discussed below), Permanent Insiders are prohibited from purchasing or selling Company securities except as specifically permitted by this Policy. Permanent Insiders consist of the Company’s (a) directors, (b) executive officers and (c) those employees who will be deemed to have ongoing exposure to Material Nonpublic Information because of the nature of their jobs. Any person designated a Permanent Insider shall be subject to the restrictions of the applicable policies as long as he or she holds that position unless notified in writing that he or she is no longer a Permanent Insider.

VII. Pre-clearance Procedures

Permanent Insiders may not engage in any transaction involving the Company securities without first obtaining pre-clearance of the transaction from the Company’s Chief Financial Officer (the “Compliance Officer”). A request for pre-clearance should be submitted to the Compliance Officer at least two business days in advance of the proposed transaction. The Compliance Officer is under no obligation to approve a trade submitted for pre-clearance, and may determine not to permit the trade. The Compliance Officer himself or herself may not trade in Company securities unless the Chairman of the Board of Directors has approved the trade(s) in accordance with the procedures set forth in this Policy.

When a request for pre-clearance is made, the requestor should carefully consider whether he or she may be aware of any Material Nonpublic Information about the Company, and should describe fully those circumstances to the Compliance Officer. The requestor should also indicate whether he or she has effected any non-exempt “opposite-way” transactions within the past six months, and should be prepared to report the proposed transaction on an appropriate Form 4 or Form 5 under the Exchange Act. The requestor should also be prepared to comply with SEC Rule 144 and file Form 144, if necessary, at the time of any sale.

VIII. Blackout Periods

Generally, a Permanent Insider who does not possess Material Nonpublic Information may purchase or sell Company securities at any time other than during a “Blackout Period.” Blackout Periods are those periods of time commencing when quarterly or annual financial results become known (or are deemed to be known) to Permanent Insiders until the

time when such information has been disseminated to the public. The Company has established its Blackout Period as the time period commencing 7 calendar days before the end of each fiscal quarter until two full trading days following the date of the public disclosure of the Company's financial results for the most recently completed fiscal quarter or financial year. During this period, except in compliance with this Policy, Permanent Insiders are prohibited from purchasing or selling Company securities and from exercising stock options.

IX. Exceptions to Purchases and Sales During Blackout Periods

A Permanent Insider may purchase and sell Company securities during the Blackout Period if such purchases and sales are made in accordance with a pre-existing, written plan or arrangement that complies with Rule 10b5-1 of the Exchange Act and is approved in advance by the Company. A Permanent Insider may exercise a derivative security relating to Company stock, such as a stock option or warrant, during a Blackout Period through means of a cashless exercise if the derivative security otherwise would have expired during such Blackout Period. Additionally, there may also be certain circumstances that arise from time to time in which a Permanent Insider, upon prior approval of the Company's Chairman of the Board of Directors after consultation with the Company securities counsel, can purchase or sell during a Blackout Period without compliance with Rule 10b5-1. A Permanent Insider should only expect that approval to be forthcoming in rare circumstances where the Permanent Insider can definitively demonstrate that he or she does not possess, and has no ready access to, Material Nonpublic Information.

X. Suspension of Purchases and Sales Outside of Blackout Periods

Even outside of a Blackout Period, a Permanent Insider may be prohibited from purchasing or selling Company securities due to the existence of Material Nonpublic Information concerning the Company that has not been disclosed in the earnings release. If the need arises to suspend purchases and sales of Company securities by Permanent Insiders outside of a Blackout Period, the Chief Executive Officer or the Chief Financial Officer will deliver prompt notification of such suspension to all Permanent Insiders. The delivery of the notice should be treated by all Permanent Insiders as Material Nonpublic Information and should not be disclosed to any other person.

XI. Responsibility of Reporting Purchases and Sales by Permanent Insiders

Permanent Insiders are responsible for assuring their own compliance with all reporting or restrictions with respect to purchases and sales and of other securities law requirements applicable to their purchases or sales of Company securities, including, without limitation, those set forth in Section 16 under the Exchange Act or Rule 144 under the Securities Act of 1933, as amended.

Possible Criminal and Civil Liability and/or Disciplinary Action for Misuse of Material Nonpublic Information

I. Criminal and Civil Liability of Trading on Material Nonpublic Information

An Insider who engages in transactions in Company securities at a time when he or she has knowledge of Material Nonpublic Information regarding the Company can face a jail sentence of up to 20 years, criminal fines up to \$5 million or twice the gain from the offense, and civil monetary penalties imposed by the SEC up to the greater of \$1 million or three times the amount of profit gained or loss avoided. This is in addition to possible liability for disgorgement of profit gained or loss avoided from the transactions to the purchasers or sellers harmed in the transactions.

II. Criminal and Civil Liability for Tipping

An Insider may also be criminally and civilly liable for transactions by any person based upon Material Nonpublic Information regarding the Company disclosed by an Insider or upon recommendations or expressed opinions by the Insider about the purchase or sale of Company securities in reliance upon Material Nonpublic Information. The SEC has, in the past, imposed large penalties on persons who tipped Material Nonpublic Information, even when the tipper did not profit personally from the transaction. The SEC and the U.S. stock exchanges utilize sophisticated electronic surveillance techniques to uncover insider trading based upon tipping of Material Nonpublic Information.

III. Possible Disciplinary Action by the Company for Trading on or Tipping Material Nonpublic Information

An Insider who violates this Policy also may be subject to disciplinary action by the Company, which may include ineligibility for future participation in the Company's stock-based plans, loss of other benefits, reprimand or termination of employment.

IV. Applicability of Policy to Inside Information Regarding Other Companies

This Policy and the guidelines described herein also apply to Material Nonpublic Information relating to other companies when the Material Nonpublic Information is obtained in the course of employment with, or services performed on behalf of, the Company. Criminal or civil penalties and internal disciplinary actions, up to and including possible termination of employment, may result from trading on or tipping others about Material Nonpublic Information regarding other companies. An Insider must treat Material Nonpublic Information concerning other companies in the same manner as it would treat Material Nonpublic Information relating directly to the Company.

V. Further Inquiries

The Company is pleased to answer any questions that Insiders may have with respect to any of the matters set forth in this Policy. All such questions should be directed to the Chief Executive Officer or the Chief Financial Officer.