

## **Policies on Business Amenities, Influence Payments, Social Media & External Inquires**

### **A. Business Amenities**

A “business amenity” includes any gift, entertainment, transportation, travel, meal, lodging or other business amenity offered or provided to a third party, including client trips or events hosted or funded by a third party but that we organize, subsidize or sponsor.

1. Vice President, General Counsel pre-approval is required for all business amenities (defined in Section A) other than meals (covered in subsection A.2 below) to be offered or provided to:
  - An official, employee or representative of a government entity in any country, or any of their family members, or
  - An employee or representative (or any of their family members) of a commercial entity in any of the following countries: China, Eastern European countries, Russia and ex-Soviet Union countries.

In addition, the requirements in section A.3. below apply to all business amenities provided with approval of the Vice President, General Counsel.

2. Vice President, General Counsel pre-approval is not required for meals that are normally and customarily offered or provided in the ordinary course of business, but the requirements in section A.3. below apply to all such meals.
3. All business amenities offered or provided must satisfy the following requirements:
  - They are not prohibited by law or known practices of the recipient;
  - They are given in connection with a legitimate business purpose (e.g., promoting our products and services, building goodwill and strengthening working relationships);
  - They are business appropriate in nature and venue, and are not being used to secure improper business advantage or preferential treatment;
  - They are not provided to influence, and could reasonably give the appearance of influencing, a business relationship with the recipient;
  - The cost of the amenities are kept at a reasonable level in terms of cost and frequency; and
  - No gift card, cash or any cash equivalent may be provided.

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4. This business amenities policy preempts and replaces any existing policies, procedures and controls on the same subject until the date when you become employed by an IBM entity. From and after that date, IBM's policies, procedures and controls regarding business amenities will directly apply to you and supersede this policy.

### **B. Influence Payments**

An "influence payment" is a contingency fee, referral fee, finder's fee, market assistance or other payment for assistance in finding, influencing or closing a business opportunity.

1. No influence payment may be made directly or indirectly to a third party if the payment relates to business with a government entity (defined below).
2. No lead from a third party may be qualified where (a) the lead relates to business with a government entity and (b) we would be obligated to directly or indirectly make an influence payment in connection with that qualification or business.
3. This policy prohibiting influence payments preempts and replaces any existing policies, procedures and controls on the same subject and shall continue in effect for so long as you are employed by IBM or an IBM subsidiary.

### **C. Social Media**

When you speak out on public issues or in a public forum, you do so as an individual, and you should not give the appearance of speaking or acting on behalf of IBM or an IBM subsidiary. This is particularly important with the rise of social networking media. You must be aware that such services are increasingly being monitored by clients, colleagues and regulators alike.

### **D. External Inquiries**

Our business activities are monitored by journalists, consultants, securities analysts and others. In addition, as an employee, you may be asked by these parties to provide your own insights to them, with or without compensation. You should not respond to their inquiries – or contact these parties – whether online (including social media), telephonically, or otherwise, without authorization from Vice President, General Counsel.

### **E. Government Entity Defined**

A "government entity" includes any:

1. government agency, department or public enterprise, whether regional, national, or local, such as a national tax authority or a local municipality, and

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2. government owned or controlled entity, such as:

- any public school, utility or organization licensed to provide public services,
- any public international organization, such as the UN or World Health Organization,
- any entity subject to public procurement laws or regulations,
- any entity, even if privately held or publicly traded, if a government, a public international organization, an entity subject to public procurement laws or regulations or a government official\* owns or has the ability to exercise control over such entity, and
- within the U.S. only, any U.S. Federal entity, including: (1) executive, legislative and judicial branches of the U.S. Federal government, (2) a U.S. Government-affiliated corporation (e.g., Tennessee Valley Authority), (3) a quasi-governmental organization (e.g., The Smithsonian Institution) and (4) a commercial business enterprise operating under a U.S. Federal government power of attorney, or with Management Operating Contractor (MOC) status.

In some cases, an entity may qualify as a “government entity” even where a government, public international organization, entity subject to public procurement laws or regulations or government official does not have majority ownership. In those cases, consider the entity to be a “government entity” if any of the following are true: (a) the entity’s employees are public officers or civil servants, (b) a government, public international organization, entity subject to public procurement laws or regulations or government official has the ability to exercise control over the entity, or (c) the entity’s activities are financed by a government, public international organization, entity subject to public procurement laws or regulations or government official.

\* Under many laws, any officer or employee of a “government entity”, as well as any private individual or entity acting in an official capacity on behalf of a government entity, is a government official.

If you have any questions on whether an entity is a government entity, please contact Vice President, General Counsel or err on the side of caution and consider it to be one. For general questions, please contact the Human Resources Department at [HR@neudesic.com](mailto:HR@neudesic.com).