



9.2 INSIDER TRADING -- REVISED

PURPOSE: To provide information and make employees aware of mandatory procedures they must comply with, as a result of Interphase being a publicly-held Company.

COVERAGE: All Interphase employees, officers, directors, temporary employees, independent contractors, and consultants, or other person associated with Interphase, including those in the employee's immediate family and those in the employee's household (generally spouse and dependent children). Though this is a U.S. Policy, a modified version that complies with local labor laws is in place for employees who operate outside of the U.S.

POLICY: It is the policy of Interphase that no Interphase employee, officer, director, temporary employee, independent contractor, consultant, or other person associated with Interphase, will legally trade in the securities of Interphase if that person possesses "material" information about Interphase that has not been disclosed to the public. Such trading not only violates Interphase's policy, but also violates federal securities law. To avoid the appearance of impropriety, these restrictions apply not only to employees, but also to an employee's immediate family and those in the employee's household (generally, a spouse and dependent children). Unless local labor laws dictate otherwise, all employees, officers, directors, temporary employees, independent contractors, and consultants must sign an Acknowledgment Form at the time of hire or engagement, and annually thereafter, that they are aware of this policy and agree to abide by it.

GUIDELINES:

1. PROHIBITION ON INSIDER TRADING

While an employee possesses material information concerning Interphase which has not been disclosed to the public ("inside information"), the employee cannot legally:

- Buy or sell Interphase securities or options on such securities; or
- Communicate such information to other persons ("tipping").

Persons who trade on material inside information and persons who have tipped others may be the subject of civil and criminal proceedings. Any Interphase employee or consultant to Interphase who engages in such illegal conduct is subject to immediate discipline, including termination of employment or service.

“Material inside information” includes any information that would influence a reasonable investor to buy or sell Interphase stock that has not been disclosed to the public. Some examples of “material” information are:

- Revenues, including increases and decreases in quarterly revenues;
- Earnings, including increases and decreases in quarterly earnings;
- Major personnel changes;
- An unusual and material gain or loss of one or more major customer and loss or gain impacts substantial percentage of revenue;
- Significant mergers, acquisitions or other transactions; and,
- Unusual gains, losses or other changes in operations.

Interphase employees should treat all corporate information with discretion and discuss confidential data only with those Interphase employees who have a right and a need to know. Employees are not to discuss Company confidential information with friends, relatives and acquaintances.

If an employee has material inside information concerning Interphase, they **MUST NOT** buy or sell Interphase securities until they know that such information has been made public. Material information is not considered to have been “made public” until at least two full business days after such information has been released by Interphase to major U.S. news services. For example, if an announcement were made after the market close on a Thursday, Tuesday would generally be the first day on which employee should trade. If an announcement were made before the market opens on a Thursday, Monday would generally be the first day on which an employee could trade.

2. “QUIET PERIODS”—WHEN TRADING IS RESTRICTED BY POLICY

In addition to the prohibition described above regarding trading while in possession of material non-public information, Interphase has instituted a “Quiet Period” (generally tied to the release of Interphase’s earnings for the quarter) in which employees may not trade Interphase stock at all.

As noted above, Interphase’s “Quiet Period” is applicable to all Interphase employees, consultants, Officers, independent contractors, and members of the Interphase Board of Directors (“the Board”), and other person associated

with Interphase, including those in the employee's immediate family and those in the employee's household (generally spouse and dependent children). During the "Quiet Period" employees **MAY NOT TRADE (EITHER BUY OR SELL) INTERPHASE SECURITIES AT ALL.**

The "Quiet Period" for *all Interphase employees* is the following: the period in each quarter of the fiscal year beginning the 15th day of the last month of the quarter – March, June, September, and December, respectively and ending two days following the announcement of quarterly results. If the 15th day of the last month of the quarter falls on a weekend (Saturday or Sunday) or Company holiday, the "Quiet Period" will begin on the next regularly scheduled working day.

- In general (subject to the particular time frames stated above), under this policy, the affected individuals could normally trade (assuming the absence of material non-public information) during the months of February, May, August, and November. *[This is just a generalization of the "Quiet Period" for employees' ease of reference and the exact trading dates of the blackout period will be dictated by the timing of the public release of earnings.]*
- The "Quiet Period" also extends to terminated employees who have been terminated within the "Quiet Period".
- Even within the designated trading windows, trading will only be permitted if no development of major importance remains unannounced. From time to time the Company may also recommend that Directors, Officers, selected Interphase employees and others suspend trading because of developments known to the Company and not yet disclosed to the public. In such event, such persons will be advised not to engage in any transaction involving the purchase or sale of Interphase securities during such period and should not disclose to others the fact of such suspension of trading.
- In addition, in order to ensure compliance with certain reporting obligations applicable to Executive Officers and to avoid the appearance of impropriety, Executive Officers and certain other Interphase employees designated by the Company should refrain from trading at any time without first contacting the Chief Financial Officer (CFO) prior to initiating any purchase or sale of Interphase securities.

3. TRADING IN DERIVATIVE SECURITIES

No member of the Board, Officer, Interphase employee, consultant or other person associated with Interphase may trade in any interest or position relating to the future price of Interphase securities, such as a put, call or short sale.

4. CERTAIN EXCEPTIONS

- This policy does not preclude the *exercise* of stock options granted under Interphase's stock option plan (since the price does not vary with the market but is fixed by the option agreement).
- Officers and members of the Board of Directors (“Director”) may trade Interphase common stock during the “Quiet Period” if such trade was executed under a properly approved and filed SEC Rule 10b5-1 Plan.
- SEC Rule 10b5-1 Plan’s “cooling off period”: The trading plan’s “effective date” is the date the first trade is allowed in an Officer or Director’s approved and filed SEC Rule 10b5-1 Plan and shall not be sooner than 8:00 a.m. on the day following the end of the *next* regularly scheduled “Quiet Period”. For example, if an Officer or Director files an SEC Rule 10b5-1 Plan one day into a “Quiet Period”, then their Plan will not be considered “effective” until that current “Quiet Period” is over, plus until the next regularly scheduled “Quiet Period” is over. However, if an Officer or Director files an SEC Rule 10b5-1 Plan one day before a “Quiet Period” commences, then their Plan will be considered “effective” and a first trade allowed as of 8:00 a.m. on the day following that “Quiet Period” ending.

5. INDIVIDUAL RESPONSIBILITY TO COMPLY WITH POLICY

Every person has the individual responsibility to comply with this policy against insider trading, regardless of whether Interphase has recommended a trading window to that person.

In all cases an individual should exercise appropriate judgment in connection with any trade in Interphase securities and seriously consider whether they have knowledge of material inside information before trading.

An individual may, from time to time, be required to forego a proposed transaction in Interphase securities even if he or she planned to make the transaction before learning of the material nonpublic information and even though the individual may suffer economic loss or forego anticipated profit by waiting.

6. INSIDER INFORMATION REGARDING OTHER COMPANIES

This policy and the guidelines described in this policy also apply to material nonpublic information relating to other companies, including Interphase clients, vendors and suppliers (“Business Partners”), particularly when that information is obtained in the course of employment with, or other services performed by, or on behalf of, Interphase.

Civil and criminal penalties, and disciplinary action up to and including termination of employment, may result from trading on inside information regarding Interphase Business Partners. Each individual should treat material nonpublic information about Interphase Business Partners with the same care required with respect to information related directly to Interphase.

7. POTENTIAL CIVIL/CRIMINAL LIABILITY & DISCIPLINARY ACTION

- Liability for Insider Trading. Insiders may be subject to a variety of civil and criminal penalties, including penalties of up to the greater of \$1,000,000 or three times the profit received or loss avoided from the transaction and up to ten years in jail, for engaging in transactions in Interphase’s securities at a time when they have knowledge of material non-public information regarding Interphase.
- Liability for Tipping. Insiders may also be liable for improper transactions by any person (commonly referred to as a "tip toe") to whom they have disclosed material non-public information regarding Interphase or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in Interphase securities. The Securities and Exchange Commission (the "SEC") has imposed large penalties even when the disclosing person did not profit from the trading. In addition, the SEC has pursued and will pursue violators even when an immaterial amount of stock was involved.

- Possible Disciplinary Actions. Interphase employees who violate this policy shall also be subject to disciplinary action by Interphase, which may include ineligibility for future participation in Interphase's equity incentive plans or termination of employment.

8. ADDITIONAL INFORMATION – DIRECTORS & OFFICERS

Members of the Board of Directors (“Directors”) and Executive Officers of the Company must also comply with the reporting obligations and limitations on short-swing transactions set forth in Section 16 of the Exchange Act and other regulations. Under these provisions, among other things, Executive Officers and Directors who purchase and sell the Company's securities within a six-month period must disgorge all profits to the Company whether or not they had knowledge of any material non-public information. Under these provisions, and so long as certain other criteria are met, neither the receipt of an option under the Company's option plans, nor the exercise of that option, is deemed to be a purchase under Section 16; however, the sale of any such shares is a sale under Section 16. Moreover, no Officer or Director may ever make a short sale of the Company's stock. The Company has provided, or will provide, separate memoranda and other appropriate materials to its Officers and Directors regarding compliance with Section 16 and other related rules and regulations. The company recommends the use of SEC Rule 10b5-1 Plans for Executive Officer and Director stock selling.

9. INQUIRIES

Please direct any questions as to any of the matters discussed in the policy to Interphase's Chief Financial Officer.

REFERENCE DOCUMENTS:

- [Employee Communication and Media Relations policy](#)
- [Code of Business Conduct policy](#)
- [Acknowledgement of Receipt – Insider Trading Policy](#)
- Insider Trading Policy – French Version
- Acknowledgement of Receipt – Insider Trading Policy – French Version