THE IMC COMPASS:
GOOD BUSINESS CONDUCT
AND ETHICS CODE
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I THE IMC COMPASS

A Leading by Example

Our allies and Stakeholders recognize us by our unique method for doing business, which is directed by our general common IMC Compass. Integrity, honesty, compliance with all laws, and playing fair are the essentials which enable us to lead by example.

Being a part of *Berkshire Hathaway*, we are all subject to the Berkshire Hathaway codes of ethics and other policies, as amended from time to time and published online. A current version of the Berkshire Code of Ethics is available online at [http://www.berkshirehathaway.com/govern/ethics.pdf](http://www.berkshirehathaway.com/govern/ethics.pdf) and is also attached to this Code.

These standards set the minimum threshold for the *IMC Compass* of business, and should always be adhered to by each IMC member, executive, representative or employee of any IMC subsidiary. On top of it and as a supplement, IMC invests great efforts in setting internal business conduct standards, beyond globally recognized legal requirements and common business practices. All of these are intended to be in complete alignment with the Berkshire code of ethics, and are to be read and applied at all times subject to the Berkshire code.

Each and every IMC member, including its entire personnel and anyone authorized by them to operate on behalf of any IMC member (hereafter “*IMC Members*”) is expected to take real active measures by applying the “*IMC Compass*” by acting with personal integrity, loyalty, credibility, reliability, accountability, responsibility and genuine respect for others. Vigorous application of these standards is a core aspect of our day-to-day activity. We expect each and every IMC Member to ensure that also when engaging with third party business partners, suppliers or customers, (“*Stakeholders*) the same values and standards are applied.

In recognition of the dynamic nature of laws and ethics, we will continue refining our guiding principles to ensure that the “*IMC Compass*” is maintained and followed in every conduct and business interaction of any IMC Member. Realistically, we also recognize that not all risks can be foreseen in advance. To minimize the effect of such risks, the following may serve as rules of thumb:
(i) **Ask Questions:** In most situations, it is virtually impossible to plan ahead for risks or to devise real solutions without knowing all the facts and intended context. Good action begins with clear interpretation, attention to detail and forward planning.

(ii) **If your Instincts lead you to questions, trust them:** Most business actions are preplanned and approved in advance, for good reason, for the benefit of the company on whose behalf they are performed, and by adhering to our high values and standards. Personal interests, private gains or improper use of company’s assets or information for individual benefits of the performer or others, must be completely excluded and never sought. If your instincts tell you that something is improper in any transactions or activity, stop and question. There is never a justification for doing something which your instincts tell you is improper, and in any such case, please seek advice before taking further action.

(iii) **Be informed about risks:** Conducting up-to-date regular risk assessments, forward business planning and “background checks” will minimize the chance that you find yourself surprised. In all occasions, before taking part in any activities, make sure that you know enough about who you are dealing with, including the relevant background, other past and present activities, as well as the person’s and the organization’s reputation.

(iv) **Evaluate Associations:** As in any other social frames, it is only safe to create long term business ties after investigating the facts about third party identity and past conduct. Before engaging with a third party, consider whether you are able to trust this third party to operate in the IMC name, to comply with all codes, policy decisions and legal rules.

(v) **Keep records:** Recreating events and investigating “ex post facto” is notoriously difficult. IMC Members are expected to keep tidy and complete corporate files as well as documentation of finances, any transaction and dealings with any third party. All transactions and operations, including payments, obligation, rights and all engagements with any person or company at any time, should be always properly reflected in a timely manner, in the company’s books and records.

(vi) **Disclose information:** Your reports whether to your direct manager or to the IMC higher management are very important. Only with such accurate reports, we would be able to plan ahead for risks or deal with “grey area” situations in advance.

(vii) **Seek help:** Our management is available for any approach regardless of company, regional or country affiliations. If you believe that any matter would be better or faster solved by our Tefen executives or legal department we expect you to immediately forward to our attention any relevant data.

(viii) **Train your team:** All IMC Member teams should be properly educated and trained in ethics and compliance matters. Over time, our IMC Management will provide regular updates and training course materials.

To avert any lasting doubts, please do not hesitate to contact us by using the attached Feedback Response Form.
B Fair Dealings

1 Protecting Corporate Assets

We practice a strong commitment to protect corporate assets and confidential information. Obviously, any misuse of corporate assets, may result in serious prejudice of business operations, while causing irreparable harm, costs, legal proceedings, loss of profit and damage to reputation and goodwill.

Such risk exists regardless of whether the subject matter asset belongs to IMC Members or to any of our Stakeholders. Accordingly, IMC Members will exercise a reasonable degree of care at all times to limit willful disclosure of proprietary confidential information, to prevent misuse and/or disclosure of information by other third parties.

Further, each and every IMC employee is expected to exactly follow the IMC policies and instructions on computer and online media use, which are published by IMC Computing department from time to time.

2 Honest Competition and Interaction with Third Parties

We are motivated by a practical pragmatic business approach. We do so be acting with compete integrity, when playing fair, never seeking for shortcuts, and by recognizing the inherent mutual benefits of acting in compliance with all laws and regulations and by conducting good-faith interactions with third parties, including with state agencies. IMC maintains and continuously improves certain internal controls to monitor and ensure that any IMC publications or materials will not unfairly infringe the rights of third parties, and will not include any data, information or reference which may mislead our end-users.

Any manipulation, concealment, misrepresentation, inducement of others to breach confidentiality obligations or any other unfair competition practices is inconsistent with the IMC Compass and will be expressly prohibited and strictly avoided by all IMC Members.
3 Transparency, Accurate Reporting and Documentation
Public disclosures by IMC Members are made in a full, fair, accurate, timely, understandable and legible way, in accordance with the instructions of the relevant receiving authority or other entity. Each manager is expected to make sure that the company is operating and complying with local regulations, including with regard to the filing of corporate documents, reports and other information. For any required advice on such matters each manager may contact the IMC legal team and/or finances team in Tefen.

Where applicable, our truthful and accurate financial data shall be provided together with relevant documentation copies. Any such relevant business operations documentation shall be retained in a tidy organized manner in accordance with local regulations in the IMC offices. No documents, records, recordings or anything which reflects occurrence of any event shall ever be “back-dated”, “re-constructed” or changed retrospectively, for any reason.

Our internal centralized online systems provide for real-time IMC Member reporting, as well as regular individual monitoring. Such measures enable IMC management to execute broad-based long-term business planning, resource allocation, and also to prevent in advance and minimize any risks of unauthorized or improper dealings.

4 No Conflicts of Interest, No “Insider Trading” and No Corrupt Practices
Non-public information may not be shared with any third parties, under any circumstance, other than as authorized by IMC management, in advance and only for the purpose of securing IMC Members’ interests and benefit. Among other important reasons, this is done to prevent any inadvertent risk of “insider-dealings” in securities trade, and other “bad choices” on anyone’s part.

Each IMC Member is expected to actively avoid entering into, and to prevent if within her/his power, situations whereby a person’s private interests may conflict with the IMC interests and/or benefit, or present difficulties in the performance of such person for the IMC Group. Any existing or potential conflicts as a result of personal relationships or associations should be reported in advance to IMC higher management ahead of any engagement.

We expect all those who are engaged by IMC Members, regardless of whether employees, officers or outside consultants, to provide their services to the IMC Members objectively, truthfully, to the best of their ability and professional competence. By the same token, we expect also our Stakeholders to take positive measures to obligate any other third parties which may be linked to the IMC Group in some way or which may obtain IMC Group information over the course of business to observe, and prevent any such insider dealings or improper activities as a result of conflicting interests.
Further, all IMC Members are committed to local, global and United States “anti-trust” and “anti-corruption” legal and ethical standards. Specifically, IMC Members are prohibited from engaging any activities which may lead to:

i) Prohibited business arrangements such as monopolies, cartels or trusts
ii) Influencing a government or a public service official
iii) Securing improper advantages from a government or a public official
iv) Unduly affecting government or public official decision making process
v) Unduly securing business as a result of influence on government or public officials

For the avoidance of doubt, IMC’s complete ban on “Corrupt Practices” includes any direct or indirect offers, payments, cash transfers and monetary gifting, as well as less defined or ambiguous provision of any other advantages, or anything else of value with the corrupt intent of ensuring “something in return”, “quid pro quo” from a government, a public official or from any other party. This includes private persons and organizations.

Through our real time financial reporting system, IMC higher management shall periodically investigate, monitor and analyze IMC Member practices to neutralize risks of improper practices. Also, appropriate training shall be extended to Members in order to ensure complete compliance and avoid any “willful blindness”.
C Motivating to Excellence – Good Labor Management

As a multinational corporate group we encourage our Members to promote local labor diversity, equal opportunities, and strict compliance with the relevant local labor and social preservation rules.

We believe in motivating our teams for excellence in their respective IMC duties and also in their own individual career personal development path.

In every IMC Member location, we aim to provide our teams with certain benefits, beyond the minimum legal requirements, to ensure that our workers are free and happy to concentrate on their work. Our Human Resources and Safety departments regularly collaborate to enact and improve internal group policies, thereby ensuring that a safe “hazard free” and “harassment free” working environment is maintained at all times.

D Relations with our Stakeholders

1 Stakeholders Events

As a strategic marketing practice, we launch technical workshops and/or marketing presentation events for our staff and/or Stakeholders (“Stakeholder Events”). Our standard invitation for such events should follow IMC pre-approved guidelines, should be transparent with, and addressed to, the invitee’s employer cooperation.

Any and all locations, contents, participants and purposes of all Stakeholders Events, which may be viewed as outside the reasonable common industry practice, or which may be designated for any purpose other than for presenting IMC’s products, shall require IMC’s management approval.

2 Gifts and Giveaways

IMC employees and IMC Members shall neither offer nor accept any gifts, payments, favours, entertainment or other courtesies (whether in kind or otherwise) (“Courtesy”) unless these are of nominal value and reasonable when considering all relevant circumstances. In any event, no Courtesy may: (i) induce or otherwise influence the recipient and/or the provider to do, or to refrain from doing, anything at all, and/or (ii) embarrass the giver and/or the recipient and/or any IMC Member, whether published or not.
1 Trade Controls
As a multinational group with business activities in various global markets, our IMC Members are required to acknowledge, to investigate and to take responsibility for completely obeying relevant laws and regulations, in letter and in spirit.

Though our managers are not expected to possess knowledge of every legal measure, they are however, expected to exercise reasonable care and discretion, to initiate enquiry, investigation and consultation on trade related controls which may be enacted with regard to entities in the IMC Member place of business, in the United States and/or in the relevant business partner’s place of business.

Accordingly, each IMC Member should diligently follow the prescribed process for any and all necessary disclosures, reviews, inspections, permits, licenses, approvals and/or authorizations, including without limitation import and export related prohibitions, customs regulations, tax regulations and any such other instructions of trade controls.

2 Foreign Policy Sanctions
IMC Members should also observe the applicable local laws, UN resolutions and United States trade restriction sanctions, as may be issued, updated and/or revoked from time to time and published regardless of whether online or in print.

Current United States sanction programs are listed in the United States Department of Treasury, Office of Foreign Assets Control (OFAC) website at:
http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx

Further certain “list based” sanction programs ban transactions with entities or individuals who are known as “Specially Designated Nationals” and appear on the master list which is maintained by the US department of Treasury, Office of Foreign Assets Control (OFAC) – the “SDN List”, at:
http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx

In accordance with the sanction programs currently in place, IMC Members will completely refrain from conducting any business interaction with any entity operating in, from or under the auspice of: Cuba, Iran, North Korea, Sudan and Syria.

Further, Members will conduct due-diligence measures and appropriate investigation before engaging with a third party, to make sure that they are not sanctioned or affiliated with anyone/any entity who sanctioned in accordance with the master SDN List.
IMC management and legal department will continuously monitor available publications at all times in order to keep updated and ensure awareness of any applicable anti-terrorism, boycott, trade-controls, property block, transaction prohibition or other foreign trade sanction measures.

(Version 2014)
Annex A

Berkshire Hathaway’s ‘Code of Business Conduct and Ethics’ and ‘Prohibited Business Practices Policy’
PROHIBITED BUSINESS PRACTICES POLICY

Preamble and Instructions:

The following policy (or a variation of the following policy, as applicable) should be adopted by each Berkshire Hathaway subsidiary to address compliance risks arising from such subsidiary’s international operations, and should be placed in each subsidiary’s policy and procedure manual.

This policy is not intended to address domestic risks or to supplant more restrictive, detailed or specific policies which may already be in place at, or may hereafter be adopted by, a Berkshire Hathaway subsidiary. Except to the extent modified to comply with foreign laws as discussed below in the instructions to Sections III and IV of this policy or as otherwise permitted by Section III of this policy, this policy sets forth the minimum standard with which all Berkshire Hathaway subsidiaries must comply. Each subsidiary should assess its individual operations and compliance risks and adopt additional policies and procedures as appropriate to address those risks.

It is the policy of Berkshire Hathaway Inc. and its subsidiaries to strictly comply with all laws and regulations that apply to any of their activities and operations, or that may give rise to the risk of liability for Berkshire, its subsidiaries or persons employed by any of them.

This Prohibited Business Practices Policy applies to all officers, directors and employees of Berkshire and each of its subsidiaries. Each such person shall comply with this Policy, strictly abide by all applicable laws and regulations, and exercise great care not to take or authorize any actions that may create even the appearance of illegal conduct or other impropriety. Persons who violate this Policy shall be subject to appropriate disciplinary action.

I. COMPLIANCE WITH BOTH U.S. AND FOREIGN LAW IS REQUIRED

This Policy (1) identifies certain specific laws and regulations that may apply to a Berkshire company’s operations, and (2) sets forth the minimum standards that must be followed to ensure compliance with those laws and regulations. The applicable laws and regulations include not only federal, state and local laws and regulations of the United States, but also laws and regulations of any foreign countries in which a Berkshire company does business.

This Policy is not exhaustive, and there may be additional laws and regulations that apply to a Berkshire company’s operations that are not discussed here. Even if a particular law or regulation is not discussed here, it is the policy of each Berkshire company to ensure compliance with that law or regulation.

Any Berkshire company employee who has a question whether particular conduct could be illegal or involve any unethical or improper act should promptly report his or her concerns. Each Berkshire company, or in the case of a group of Berkshire companies, the Berkshire company that is the “parent” of such group, shall designate a Compliance Officer to receive and investigate such reports and to implement this Policy. Employees may also report their concerns to their supervisors or managers. Anonymous reports can be made via Ethics and Compliance.

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Hotline (800-261-8651) or Berkshire's web reporting site, which is located at https://www.brk-hotline.com. Employees in the European Union may use a separate web reporting site, which is located at https://brk-hotline.com/CNIL.jsp.¹

If in doubt as to the lawfulness or propriety of particular conduct by a Berkshire company, a report of the matter should be made so that the issue can be investigated. The Berkshire companies prohibit retaliation of any kind for making such a report, even if it turns out that the conduct being reported is not illegal or improper.

II. PROHIBITED OFFERS OR PAYMENTS

Each Berkshire company must strictly comply with the U.S. law known as the Foreign Corrupt Practices Act ("FCPA"). In layman's terms, the FCPA prohibits bribes, kickbacks and favors to foreign government officials to obtain an improper advantage, such as the awarding of a government contract.

Prohibited Purposes. To ensure compliance with the FCPA, no Berkshire company or its agents may corruptly provide or offer to provide anything of value to a foreign official for any of the following purposes:

- influencing the official;
- securing any improper advantage;
- affecting any official decision; or
- helping the Berkshire company obtain or retain business or direct business to any other person or company.

"Corrupt" Payments. The FCPA prohibits providing or offering to provide things of value if done "corruptly." This means that the payor has an intent or desire to wrongfully influence the recipient and to get something in return, i.e., a quid pro quo. The word "corruptly" is used in the FCPA statute to make clear that the offer, payment, promise or gift must be intended to induce the official to misuse his or her official position.

Foreign Officials. Various types of foreign officials are covered by the FCPA. This includes:

- foreign government officials, such as Customs employees;
- officials of a public international organization;
- foreign political parties and their employees; and
- candidates for foreign political office.

Under some circumstances, employees of state owned or controlled entities (whether partially or completely state owned or controlled) may be deemed to be foreign officials under the FCPA. A company may be under government control even if it is publicly traded, and even

if some of its stock is not owned by the government. In some countries, government control of publicly traded companies is common. This Policy prohibits providing or offering to provide anything of value to employees or agents of state owned or controlled companies for any of the prohibited purposes described above, even if those companies are engaged in purely commercial businesses.

**Indirect and Direct Payments.** The prohibition applies not only to direct payments or offers of payment, but also to indirect offers or payments made through any intermediaries or agents. Care must be taken to ensure that third party representatives of a Berkshire company, such as sales representatives, consultants, advisors, lobbyists and other contractors, do not offer or provide anything of value to a foreign official for any of the prohibited purposes described above.

**Anything of Value.** The term “anything of value” is construed very broadly under the FCPA. Each of the following could constitute a “thing of value”:

- monetary gifts in any form (whether cash, check, wire, etc.);
- other types of gifts;
- meals (including drinks);
- entertainment, such as golf outings or sporting events; and
- travel, whether domestic or foreign.

The term also applies to intangible benefits such as contributions to an official’s favorite charity, offers of employment for an official’s friends or family, or other kinds of help or assistance to officials or their friends and family. This Policy applies equally to offers of payment and payments to relatives and family members of foreign officials, as to foreign officials themselves.

**Nominal Gifts and Entertainment.** There are circumstances under which providing inexpensive items to a foreign official may be permissible under the FCPA. For instance, providing gifts of nominal value such as pens or mugs with the company logo, without any intent to influence the official, is not unlawful. Before providing even nominal gifts to a foreign official, Berkshire company employees must confirm that doing so is permitted by local law. Some countries prohibit providing anything of value to government officials, even gifts of nominal value; in those countries, this Policy prohibits providing gifts of any kind to foreign officials. Where permitted by local law, gifts to foreign officials may be made under this Policy only when they are (1) made to promote general goodwill and not as a *quid pro quo* for any official action, (2) of very modest value, (3) not in the form of cash, (4) customary in type and value in the country where made, (5) given openly and not secretly, and (6) accurately reflected in the applicable Berkshire company’s books and records.

**Willful Blindness Is Not A Defense.** The FCPA can apply to companies or individuals that are willfully blind to improper payments or offers of payment. Employees who suspect or see indications that corrupt payments or offers of payment are being made on a Berkshire company’s behalf must not “look the other way” or ignore the indications. For instance, if an employee becomes aware of facts suggesting that money being paid to a sales agent may be

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provided to a foreign official even if that is not the stated purpose, that concern should immediately be reported. Similarly, each employee should be alert to and promptly report concerns that other employees may be involved in such payments.

**Bona Fide and Reasonable Business Expenses.** The FCPA permits paying bona fide and reasonable travel and lodging expenses for government officials if the expenses relate directly to (1) the promotion, demonstration or explanation of products or services, or (2) the execution or performance of a contract. To ensure compliance with the FCPA, this Policy permits paying such expenses only upon the advance written approval of the applicable Berkshire company's Compliance Officer. Where such expenses are approved for payment, any payment should be made to the third party provider (for instance, an airline or hotel) rather than to the foreign official whenever practicable, and any such payments must be supported by receipts and be properly documented and recorded in the applicable Berkshire company's books and records. Under no circumstances shall per diem payments or allowances be provided to a foreign official, nor shall a Berkshire company pay for any portion of expenses incurred by any spouse or other family member of a foreign official.

**Facilitating Payments.** The FCPA permits “facilitating or expediting payments” made in furtherance of routine governmental action. Examples of “routine governmental action” include processing visas or Customs forms. Routine governmental action does not include discretionary acts such as a decision to award new business or to continue business with a particular party. Thus, paying an official a small amount to have the power turned on at a factory might be a facilitating payment under the FCPA, but paying an inspector to ignore the fact that the company does not have a valid permit to operate the factory would not be. Some countries have more restrictive rules regarding facilitating payments; for instance, under the U.K. Bribery Act, all facilitating payments are illegal. Before providing any facilitating or expediting payments, Berkshire company employees must confirm that doing so is permitted by local law. Where permitted by local law, this Policy permits facilitating or expediting payments only when nominal in value and designed merely to expedite routine governmental action that the Berkshire company is entitled to receive. Any doubts as to whether a facilitating or expediting payment may be made should be raised promptly, and where possible in advance, with the applicable Berkshire company’s Compliance Officer.

**The FCPA's Accounting and Internal Control Provisions.** The FCPA requires that issuers of U.S. securities and their majority owned subsidiaries (1) have procedures in place to ensure that all transactions and dispositions of assets are accurately reflected in the company’s books and records, and (2) devise and maintain a system of internal accounting controls sufficient to assure management’s control, authority and responsibility over the company’s assets. It is the policy of each Berkshire company that all transactions be recorded in a timely, consistent and accurate manner in terms of amount, accounting period, purpose and accounting classification. Furthermore, each Berkshire company must abide by the following rules:

- Each transaction or disposition of assets by a Berkshire company must have proper authorization. Receipts must be obtained and kept for any travel, gifts or entertainment provided to a government official.
• No secret or unrecorded fund or asset of a Berkshire company shall be created or maintained, and no accounting balances shall be created or maintained that do not have documentary support, are fictitious in whole or in part, or have no reasonable basis in fact.

• No checks of a Berkshire company may be written to “cash,” to “bearer,” or to third-party designees of a party entitled to payment. Other than documented petty cash transactions, no cash transactions may be made, unless such transaction is evidenced by a receipt bearing the signature of the recipient and the recipient is a party with whom the relevant Berkshire company has a written contract.

• Access to systems of accounting or financial records shall not be given to individuals without proper authorization. Destruction or removal of a Berkshire company’s records may be undertaken only in compliance with such Berkshire company’s internal policy and the policy of Berkshire.

Any individual who has reason to believe that a violation of the foregoing rules may have occurred at any Berkshire company (including that a payment to a foreign official was mischaracterized in a Berkshire company’s books and records) should promptly report that concern to his or her supervisor or Compliance Officer, or through the Berkshire Ethics & Compliance Hotline. Any inquiry from the internal or independent auditors of a Berkshire company must be responded to fully and promptly.

All Improper Payments Prohibited. While the FCPA applies only to bribes and kickbacks paid to foreign officials, improper payments to other persons may violate other U.S. laws or the local law of the country in which such payments are made. This Policy expressly prohibits the offering or payment of bribes or kickbacks to any person under any circumstances, whether the recipient is domestic or foreign and whether or not the recipient is a foreign official. Thus, for example, Berkshire company employees must not offer or pay anything of value to customers or prospective customers or their employees to induce them to award business to a Berkshire company or to obtain any other improper advantage. They must also not receive such payments from any person or company in return for providing an improper advantage such as awarding business to such person or company.
Instructions to Sections III and IV:

This policy is primarily focused on U.S. laws and regulations. Because conflicts may exist between U.S. laws and the laws of other countries in which a subsidiary operates, each Berkshire Hathaway subsidiary organized outside of the United States or with operations outside of the United States should undertake an analysis prior to adopting Sections III and IV of this policy to confirm that no aspect of those Sections violates any non-U.S. laws applicable to it, and modify those Sections to the extent necessary to comply with such laws.

III. PROHIBITED TRANSACTIONS WITH CERTAIN COUNTRIES AND PERSONS

Each Berkshire company and its employees must strictly comply with all applicable economic and trade sanctions and embargo programs under U.S. law, United Nations resolutions and foreign laws and regulations. Compliance requires careful monitoring of, and sometimes prohibitions on, transactions involving target countries and regimes and target individuals and/or groups of individuals (for example, terrorists and narcotics traffickers). Violations can result in substantial fines, imprisonment and severe restrictions on a company’s ability to do business in the United States and abroad.

The trade restrictions described below apply to “U.S. persons,” which includes all companies organized in the United States and their foreign branches, all companies and employees located in the United States, and all employees who are United States citizens or permanent resident aliens of the United States, wherever located. The U.S. trade restrictions against Cuba described below also apply to subsidiaries of U.S. companies that are organized outside of the United States. The policies set forth in this Section III must be adopted by all Berkshire companies that are organized in the United States or that have U.S. operations. Any Berkshire company that is organized outside of the United States and does not have U.S. operations should carefully evaluate its legal obligations with respect to these trade restrictions, taking into account such factors as the citizenship of its employees and the nature and location of its operations, and shall adopt all portions of this Policy that are applicable to its operations, or are otherwise prudent, to the extent consistent with local law. Any potential conflict between local law and the trade restrictions described below should be addressed by the Compliance Officer of the affected Berkshire company in consultation with legal counsel and the chief financial officer of Berkshire or other person designated by the chief financial officer of Berkshire.

Transactions with Cuba, Sudan, Iran, North Korea and Syria. The United States has instituted comprehensive embargoes and sanctions programs against the following countries:

- Cuba;
- Iran; and
- Sudan (with exemptions for certain specified areas of Sudan, and generally excluding the Republic of South Sudan).

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These embargoes and sanctions programs prohibit U.S. persons from engaging in or facilitating virtually any commercial or financial transactions involving the embargoed countries. Some examples of dealings that may be restricted include:

- imports into the United States of goods, technology or services from or originating in the embargoed country;
- exports from the United States to the embargoed country of goods, technology or services, either directly or through intermediaries;
- brokering the sale of goods, technology or services to or from the embargoed country, even if the transaction is done entirely outside of the United States;
- providing insurance or reinsurance to businesses or property of the embargoed country or its nationals, or imports from or exports to the embargoed country or its nationals; and
- other transactions in which a financial institution or other person acting on behalf of the embargoed country has any interest.

Under U.S. and foreign laws and regulations, partial embargoes have been instituted against North Korea and Syria. Currently, the following rules are in effect:

- **North Korea.** Imports into the United States of goods, technology or services of North Korean origin, either directly or through intermediaries, is prohibited without prior U.S. government approval. This broad prohibition applies to goods, technology and services from North Korea that are used as components of finished goods of, or substantially transformed in, a third country. U.S. economic sanctions programs no longer prohibit most exports and sales to North Korea; however, sanctions imposed by the United Nations (which are legally binding on all member states), restrict exports to North Korea of certain goods, technology and services, including defense hardware, related defense services and luxury goods. In addition, depending on the goods involved (for instance, luxury goods), the export may be subject to other U.S. export controls, such as those administered by the U.S. Department of Commerce.

- **Syria.** Virtually all exports to Syria of items originating in whole or in part from the United States, whether exported directly from the United States or indirectly through a foreign country, are not permitted without prior U.S. government approval. U.S. economic sanctions programs generally do not prohibit imports into the United States from Syria, with some exceptions (for instance, imports of Syrian petroleum and petroleum goods).

To ensure compliance with the foregoing laws, no Berkshire company to which this Section III applies may engage in, facilitate or approve any transactions or conduct of the type described above that directly or indirectly involves Cuba, Iran, Sudan, North Korea or Syria, without the express prior authorization of the applicable Berkshire company’s Compliance Officer.

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Transactions with Certain Blocked Individuals, Entities and Groups. The United States has also instituted economic and trade sanctions programs prohibiting certain imports, exports, offshore transactions and financial transactions with designated individuals, entities and groups, without prior U.S. government approval. The U.S. government identifies such individuals, entities and groups by putting their names on various lists.

Some lists include entities that have engaged in conduct that is inimical to U.S. national security and foreign policy. These lists include “Transnational Criminal Organizations,” “Narcotic Traffickers,” “Terrorists Organizations” and proliferators of “Weapons of Mass Destruction.” A second type of list is comprised of persons, entities and groups within certain specified countries or regions, including the Balkans, Belarus, Myanmar (Burma), Cote d’Ivoire (Ivory Coast), Cuba, the Democratic Republic of the Congo, Iran, Iraq, Lebanon, Libya, North Korea, Somalia, Sudan, Syria, Yemen and Zimbabwe.

Collectively, the persons on these lists are known as “Specially Designated Nationals” or “SDNs,” and appear on the U.S. Office of Foreign Assets Control (“OFAC”) master list of “Specially Designated Nationals and Blocked Persons” (the “SDN List”). The SDN List is updated frequently and available on the internet at:

http://www.treas.gov/offices/enforcement/ofac/sdn/index.shtml

No Berkshire company or employee to which this Section III applies may engage in, facilitate or approve any transactions, or conduct any activities with, any person on the SDN List, whether directly or indirectly, and any prospective dealings with persons on or suspected to be on the SDN List must be immediately reported to the applicable Berkshire company’s Compliance Officer. Each such company should review its vendors and customers against the current SDN List.

Disclosure of Iran-Related Activities. After February 6, 2013, Section 13 of the U.S. Securities Exchange Act of 1934 requires that certain issuers registered with the Securities and Exchange Commission (“SEC”), including Berkshire, disclose in their public filings and in separate reports to the SEC if the issuer or any of its affiliates has knowingly engaged in certain specified activities related to Iran. For these issuers, quarterly and annual reports filed after February 6, 2013 must include disclosure on all of the reportable activities that occurred during the period covered by the report (e.g., for an annual report, during the fiscal year), even if the activities occurred before February 6, 2013. Disclosure is required regarding the activities of each of Berkshire’s subsidiaries, which are considered affiliates under the law. A broad range of activities is reportable, generally relating to Iran’s energy sector, military capabilities and suppression of human rights. For instance, issuers must disclose when they or any of their affiliates knowingly engage in any of the following:

- certain activities relating to Iran’s petroleum industry, such as providing insurance or reinsurance contributing to Iran’s ability to import refined petroleum products or export crude oil;

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2 The OFAC website also offers a search engine for the SDN List at http://sdnsearch.ofac.treas.gov/.
• certain activities facilitating Iran’s ability to acquire or develop conventional weapons or weapons of mass destruction;
• certain activities supporting Iran’s acquisition or use of goods or technologies that are likely to be used to commit human rights abuses against the people of Iran; and
• any other transactions or dealings with the Government of Iran.

In addition, the law requires that issuers disclose any transactions or dealings with any person designated as a global terrorist or proliferator of weapons of mass destruction on the SDN List (whether or not relating to Iran).

The required report must include detailed information such as the nature and extent of the activity, gross revenues and net profits (if any) attributable to the activity, and whether the company intends to continue the activity. Such information is made available to the public, and may result in an investigation or imposition of sanctions by the U.S. government.

To ensure compliance with the law, this Policy prohibits activities involving or relating to Iran or persons from Iran on the SDN List. If any employee of a Berkshire company has reason to believe that any such activity has occurred, he or she must promptly report the matter to the chief financial officer of Berkshire, so that a determination may be made as to whether the activity is of the type required to be disclosed under U.S. law. Because there is no materiality threshold for transactions subject to the disclosure requirement, it is important that Berkshire be made aware of any and all such activities, even those that may seem minor or incidental.

**Ongoing Compliance.** As anti-terrorism and foreign policy programs evolve and related rules change, the nature and extent of permitted and prohibited activities could change; for instance, additional countries or persons could become subject to embargoes or sanctions programs, or existing embargoes could be lifted or sanctions programs relaxed. Also, additional or different requirements may be applicable to Berkshire companies that are not U.S. persons or that are doing business outside of the United States. Each Berkshire company should monitor applicable sanctions programs and other trade restrictions to ensure that its policies remain current. Berkshire company employees should consult with their Compliance Officer to confirm compliance with applicable requirements before entering into any contractual or business relationship with persons or involving countries implicating potential anti-terrorism or foreign policy concerns.

**IV. OTHER RESTRICTED TRANSACTIONS**

**U.S. Anti-Boycott Laws.** U.S. anti-boycott laws require that U.S. companies and foreign subsidiaries they control refuse to participate in foreign boycotts that the United States does not sanction. Although the anti-boycott laws apply to all non-U.S.-sanctioned boycotts imposed by foreign countries, the Arab League’s boycott of Israel is the principal foreign economic boycott affecting companies. It is the policy of each Berkshire company to comply fully with all applicable U.S. anti-boycott laws. No Berkshire company or its employees may take any action that directly or indirectly supports the boycott of Israel or any other foreign boycott not sanctioned by the United States. Any employee with concerns whether a transaction implicates

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U.S. anti-boycott rules, or the boycott or anti-boycott laws of any other country, should consult with his or her Compliance Officer and not proceed with the transaction until advised.

**ITAR Compliance.** The U.S. government controls the export, directly from the United States or indirectly through a foreign country, of any items and related technical data specifically designed, modified or configured for military, intelligence or space application through the International Traffic in Arms Regulations ("ITAR"). ITAR dictates that such information and material may only be shared with U.S. persons, absent a special exemption or authorization from the U.S. Department of State. It is the policy of each Berkshire company to comply fully with ITAR. Each Berkshire company should evaluate its operations to determine whether it is subject to ITAR and, if so, develop appropriate procedures to address its individual compliance risks.

V. RETENTION OF THIRD PARTY SERVICES

Prior to selecting, retaining and renewing any third party (including any consultant, distributor, commercial agent or joint venture partner) who will represent the Berkshire company in financial transactions with customers or in interactions of any kind with government officials, each Berkshire company shall conduct appropriate due diligence concerning the prospective third party. Each Berkshire company employing the services of such third parties shall develop and maintain due diligence procedures appropriate to the risks presented. Such due diligence shall include, at a minimum, the third party’s character, qualifications, experience, reputation for integrity, and proven ability to provide the service for which it is being retained. Factors militating against retention of a third party include any unusual requests for compensation and any unusual payment, shipment or destination terms.

VI. IMPLEMENTATION AND TRAINING

**Distribution.** Each general manager of a Berkshire company is responsible for the enforcement of and compliance with this Policy within his or her area of responsibility, including distribution of this Policy to senior management reporting to him or her.

**Training.** This Policy and any related documentation must be included in all employee manuals for each Berkshire company, shall be provided to each member of senior management of each Berkshire company and shall be available to all employees of the Berkshire companies. Review and explanation of this Policy and any related documentation shall be made a part of the training for each manager of a Berkshire company.
A. Scope.

This Code of Business Conduct and Ethics applies to all Berkshire Hathaway directors, officers and employees, as well as to directors, officers and employees of each subsidiary of Berkshire Hathaway. Such directors, officers and employees are referred to herein collectively as the “Covered Parties.” Berkshire Hathaway and its subsidiaries are referred to herein collectively as the “Company.”

B. Purpose.

The Company is proud of the values with which it conducts business. It has and will continue to uphold the highest levels of business ethics and personal integrity in all types of transactions and interactions. To this end, this Code of Business Conduct and Ethics serves to (1) emphasize the Company’s commitment to ethics and compliance with the law; (2) set forth basic standards of ethical and legal behavior; (3) provide reporting mechanisms for known or suspected ethical or legal violations; and (4) help prevent and detect wrongdoing.

Given the variety and complexity of ethical questions that may arise in the Company’s course of business, this Code of Business Conduct and Ethics serves only as a rough guide. Confronted with ethically ambiguous situations, the Covered Parties should remember the Company’s commitment to the highest ethical standards and seek advice from supervisors, managers or other appropriate personnel to ensure that all actions they take on behalf of the Company honor this commitment. When in doubt, remember Warren Buffett’s rule of thumb:

“…I want employees to ask themselves whether they are willing to have any contemplated act appear the next day on the front page of their local paper – to be read by their spouses, children and friends – with the reporting done by an informed and critical reporter.”

C. Ethical Standards.

1. Conflicts of Interest.

A conflict of interest exists when a person’s private interest interferes in any way with the interests of the Company. A conflict can arise when a Covered Party takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest may also arise when a Covered Party, or members of his or her family, receive improper personal benefits as a result of his or her position at the Company. Loans to, or guarantees of obligations of, Covered Parties and their family members may create conflicts of interest. It is almost always a conflict of interest for a Covered Party to work simultaneously for a competitor, customer or supplier.
Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with your supervisor or manager or, if circumstances warrant, the chief financial officer or chief legal officer of the Company. Any Covered Party who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section E of this Code.

All directors and executive officers of the Company [, and the chief executive officers and chief financial officers of Berkshire Hathaway’s subsidiaries,] shall disclose any material transaction or relationship that reasonably could be expected to give rise to such a conflict to the Chairman of the Company’s Audit Committee. No action may be taken with respect to such transaction or party unless and until such action has been approved by the Audit Committee.

2. Corporate Opportunities.

Covered Parties are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors of the Company. No Covered Party may use corporate property, information or position for improper personal gain, and no employee may compete with the Company directly or indirectly. Covered Parties owe a duty to the Company to advance its legitimate interests whenever possible.

3. Fair Dealing.

Covered Parties shall behave honestly and ethically at all times and with all people. They shall act in good faith, with due care, and shall engage only in fair and open competition, by treating ethically competitors, suppliers, customers, and colleagues. Stealing proprietary information, possessing trade secret information that was obtained without the owner’s consent, or inducing such disclosures by past or present employees of other companies is prohibited. No Covered Party should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered or accepted by a Covered Party or any family member of a Covered Party unless it (1) is consistent with customary business practices, (2) is not excessive in value, (3) cannot be construed as a bribe or payoff and (4) does not violate any laws or regulations. The offer or acceptance of cash gifts by any Covered Party is prohibited. Covered Parties should discuss with their supervisors, managers or other appropriate personnel any gifts or proposed gifts which they think may be inappropriate.


Covered Parties who have access to confidential information are not permitted to use or share that information for securities trading purposes (“insider trading”) or for any other purpose except the conduct of the Company’s business. All non-public information about the Company should be considered confidential information. It is always illegal to trade in Berkshire
Hathaway securities while in possession of material, non-public information, and it is also illegal to communicate or “tip” such information to others. While all Covered Parties are prohibited from insider trading, Berkshire has adopted specific “Insider Trading Policies and Procedures” applicable to the Company’s directors, executive officers and key employees (“Directors and Covered Employees”). This document is posted on Berkshire’s website and is sent periodically to Directors and Covered Employees in connection with certification of compliance.

5. **Confidentiality.**

Covered Parties must maintain the confidentiality of confidential information entrusted to them, except when disclosure is authorized by an appropriate legal officer of the Company or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to the Company or its customers if disclosed. It also includes information that suppliers and customers have entrusted to the Company. The obligation to preserve confidential information continues even after employment ends.

6. **Protection and Proper Use of Company Assets.**

All Covered Parties should endeavor to protect the Company’s assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company’s profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. The Company’s equipment should not be used for non-Company business, though incidental personal use is permitted.

The obligation of Covered Parties to protect the Company’s assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or criminal penalties.

7. **Compliance with Laws, Rules and Regulations.**

Obeying the law, both in letter and in spirit, is the foundation on which the Company’s ethical standards are built. In conducting the business of the Company, the Covered Parties shall comply with applicable governmental laws, rules and regulations at all levels of government in the United States and in any non-U.S. jurisdiction in which the Company does business. Although not all Covered Parties are expected to know the details of these laws, it is important to know enough about the applicable local, state and national laws to determine when to seek advice from supervisors, managers or other appropriate personnel.

The document “Prohibited Business Practices Policy” sets forth the Company’s policy on compliance with laws, specifically addressing such topics as prohibited offers or payments, gifts and entertainment, transactions with certain countries and persons, accounting controls, and accurate record-keeping. This Policy is furnished to senior managers and available to all employees.
8. **Timely and Truthful Public Disclosure.**

In reports and documents filed with or submitted to the Securities and Exchange Commission and other regulators by the Company, and in other public communications made by the Company, the Covered Parties involved in the preparation of such reports and documents (including those who are involved in the preparation of financial or other reports and the information included in such reports and documents) shall make disclosures that are full, fair, accurate, timely and understandable. Where applicable, these Covered Parties shall provide thorough and accurate financial and accounting data for inclusion in such disclosures. They shall not knowingly conceal or falsify information, misrepresent material facts or omit material facts necessary to avoid misleading the Company’s independent public auditors or investors.

9. **Significant Accounting Deficiencies.**

The CEO and each senior financial officer shall promptly bring to the attention of the Audit Committee any information he or she may have concerning (a) significant deficiencies in the design or operation of internal control over financial reporting which could adversely affect the Company’s ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s financial reporting, disclosures or internal control over financial reporting.

D. **Waivers.**

Any waiver of this Code for executive officers or directors may be made only by the Company’s Board of Directors or its Audit Committee and will be promptly disclosed as required by law or stock exchange regulation.

E. **Violations of Ethical Standards.**

1. **Reporting Known or Suspected Violations.**

The Company’s directors, CEO, senior financial officers and chief legal officer shall promptly report any known or suspected violations of this Code to the Chairman of the Company’s Audit Committee. All other Covered Parties should talk to supervisors, managers or other appropriate personnel about known or suspected illegal or unethical behavior. These Covered Parties may also report questionable behavior in the same manner as they may report complaints regarding accounting, internal accounting controls or auditing matters by contacting (anonymously, if desired) a third party organization called NAVEX Global (toll-free number 800-261-8651 or web site at http://brk-hotline.com). Separate anonymous reporting procedures are available for Company employees working outside the United States. No retaliatory action of any kind will be permitted against anyone making such a report in good faith, and the Company’s Audit Committee will strictly enforce this prohibition.
2. Accountability for Violations.

If the Company’s Audit Committee or its designee determines that this Code has been violated, either directly, by failure to report a violation, or by withholding information related to a violation, the offending Covered Party may be disciplined for non-compliance with penalties up to and including removal from office or dismissal. Such penalties may include written notices to the individual involved that a violation has been determined, censure by the Audit Committee, demotion or re-assignment of the individual involved and suspension with or without pay or benefits. Violations of this Code may also constitute violations of law and may result in criminal penalties and civil liabilities for the offending Covered Party and the Company. All Covered Parties are expected to cooperate in internal investigations of misconduct.

F. Compliance Procedures.

We must all work together to ensure prompt and consistent action against violations of this Code. In some situations, however, it is difficult to know if a violation has occurred. Because we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- **Make sure you have all the facts.** In order to reach the right solutions, we must be as informed as possible.

- **Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper?** Use your judgment and common sense. If something seems unethical or improper, it probably is.

- **Clarify your responsibility and role.** In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.

- **Discuss the problem with your supervisor.** This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the questions, and he or she will appreciate being consulted as part of the decision-making process.

- **Seek help from Company resources.** In rare cases where it would be inappropriate or uncomfortable to discuss an issue with your supervisor, or where you believe your supervisor has given you an inappropriate answer, discuss it locally with your office manager or your human resources manager.

- **You may report ethical violations in confidence without fear of retaliation.** If your situation requires that your identity be kept secret, your anonymity will be protected to the maximum extent consistent with the Company’s legal obligations. The Company in all circumstances prohibits retaliation of any kind against those who report ethical violations in good faith.

- **Ask first, act later.** If you are unsure of what to do in any situation, seek guidance before you act.
Annex B
Formal Acknowledgement and Declaration Form

To facilitate their commitment to follow the IMC Compass all IMC Members managers shall review and communicate the above information to their teams, and in turn provide a written statement of affirmation to the IMC management, which shall consist of the following:

Statement of Affirmation

I, the undersigned, in my capacity as manager of the IMC Member specified below (the “Company”), hereby acknowledge, represent and disclose as follows:

1 I have read Berkshire Hathaway’s “Code of Business Conduct and Ethics”, “Prohibited Business Practices Policy” and the “IMC Compass - Good Business Conduct and Ethics Code” (the “Codes”). The contents and rationale of the Codes are understood by me, and throughout the course of fulfilling my duties, I will continue to comply with the Codes and educate my subordinate employees to do so.

2 To the best of my actual knowledge, I have disclosed to IMC in writing all details regarding any of the matters regarding which any disclosure is required by any of the Codes.

3 To the extent needed, I hereby submit additional details and information which I deem relevant to secure complete disclosure and compliance with all Codes, as follows:

_________________________________
_________________________________
_________________________________
_________________________________

Signed by:_____________________
Name:_____________________
Company:_____________________
Title:_____________________
Date:_____________________

Annex C
Standard Feedback Response Form

The “IMC Compass” encourages constant improvement, refinement and review. Whether you are an IMC Member, a manager, an employee or a business Partner, we would appreciate your general feedback and welcome you to participate in the reformation of the IMC Good Business Practice and Ethics Code. IMC Managers will distribute and cater for the submission of the below Feedback Response Summary Form.

Feedback Response Summary

Having received a copy of the IMC “IMC Compass - Good Business Conduct and Ethics Code” I hereby acknowledge the IMC Compass content and would like to indicate certain matters for your further review and attention:

☐ Yes ☐ No  I suggest that additional matters should be addressed or further clarified within future versions of the IMC Compass.

If Yes, kindly provide us with a short written summary:

_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

☐ Yes ☐ No  I suggest that IMC will consider enacting, changing or revoking certain company policies:

If Yes, kindly provide us with a short written summary:

_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

☐ Yes ☐ No  I have participated in IMC Training schemes and I would like to suggest highlights for future programs.

If Yes, kindly provide us with a short written summary:

_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

By: __________________________
Company official Name/Title: __________________________
Company name: __________________________
Date: __________________________