

EUROSMART – ANTITRUST COMPLIANCE GUIDELINES

1. PURPOSE OF THE ANTITRUST COMPLIANCE GUIDELINES

Eurosmart represents and promotes common interests of its members by expanding the world's secure devices market, developing security standards and continuously improving quality and applications. Though coordinated with or among members, these activities do not relate to members' market activities but enable them to speak with one voice. Eurosmart therefore provides a valuable legitimate service for its members.

Eurosmart's policy is to conduct its activities in strict compliance with applicable antitrust laws. Eurosmart's activities must not lead towards a restriction of competition between members, nor must meetings of members organized or supported by Eurosmart be used by members to discuss or coordinate market behavior resulting in a restriction of competition. More generally, the platform offered by Eurosmart to its members must not be misused for activities prohibited by antitrust laws.

In this context, Eurosmart has prepared and adopted the following Antitrust Compliance Guidelines which are not intended and should not be understood as being comprehensive.

2. GENERAL PRINCIPLES

Antitrust laws are intended to preserve competition by, among other things, prohibiting agreements between companies, decisions by associations of companies and concerted practices which have as their object or effect the prevention or restriction of competition. Antitrust offences are subject to severe sanctions. Trade associations, which bring together competitors, are subject to particular antitrust scrutiny.

Eurosmart members should particularly keep in mind that infringements to antitrust laws can be committed not only by agreements or decisions but also by concerted practices which do not need to be formal. This may include the mere communication of information as well as any kind of informal, verbal or non-verbal, understandings between competitors.

3. DO'S AND DON'TS

Guidelines presented below in the form of Do's and Don'ts highlight the most basic antitrust principles applying to Eurosmart's activities. Each Eurosmart member should familiarize with its responsibilities under antitrust laws and should consult with legal counsel whenever there is a question involving specific situations, interpretations, or advice.

3.1 MEETINGS RULES

DO's	DON'Ts
<ul style="list-style-type: none"> ✓ Circulate agendas in advance and adhere to such prepared agendas for all meetings. ✓ Freely exchange: <ul style="list-style-type: none"> - Non-strategic information (<i>e.g.</i>, quality); - Public information, available to the same conditions (in terms of costs of access) to all market players including customers; - Sufficiently aggregated data collected <i>a posteriori</i> with sufficient time with regards to its findings and market forecasts on a general basis (<i>i.e.</i>, not relating to a specific company) <ul style="list-style-type: none"> – please also refer to STATISTICAL COLLECTION AND REPORTING RULES. ✓ Ensure that comprehensive minutes are taken and object to minutes that do not accurately reflect the discussions and actions taken. Minutes must be communicated to the secretariat that keeps records of the necessary documents. ✓ Have a document retention program which clearly sets out which records are kept and for what period of time. ✓ Ensure that communications of the different Eurosmart's Committees are addressed to all the participating members at the same time including the secretariat. 	<ul style="list-style-type: none"> X Do not discuss or exchange information on commercial sensitive topics including, but not limited to the following: <ul style="list-style-type: none"> - Current, future or past prices/increase or decrease in prices; - Margins, profits, costs; - Market shares, sales volumes, customers allocation; - Identity of clients, terms of sales, commercial strategies, business plans; - Any other information of a confidential nature. X Do not hold unscheduled or informal meetings whether held in conjunction with regular Eurosmart's meetings or not. X Do not hold side discussions with a restricted number of Eurosmart members which exclude the secretariat and/or the Committee director.

3.2 STATISTICAL COLLECTION AND REPORTING RULES

It is part of Eurosmart’s purpose to provide its members a forum for the exchange of marketing and technical data and in particular, to collect and circulate statistical data from and to members.

3.2.1 GENERAL RULES

DO’s	DON’Ts
<ul style="list-style-type: none"> ✓ Ensure, before agreeing to set up any statistical program that it has a legitimate aim; there are a sufficient number of participants. In case of doubt, ask for a prior review by a legal counsel. ✓ Ensure that company data will be collected on a strictly confidential basis. ✓ Ensure that current data may only be disclosed in aggregated and anonymous form. ✓ Ensure that members do not receive, under any circumstances, confidential or commercially sensitive information from or about other members. ✓ Comply with MEETING RULES in any meetings held in consideration of statistical collection and reporting. In particular, ensure that discussion and exchange of views with regard to market situation, estimation of future trends and developments of the market are based on objective criteria and limited to a general discussion. Each company is free to use information in the way it sees fit and to make its own business decision. Legal counsel may attend such meetings to ensure compliance with Antitrust Compliance Guidelines and with antitrust laws in general. 	<ul style="list-style-type: none"> X Do not collect price information (current, future or past prices). X Do not collect specific projection for future market share and production capacity or similar information. X Do not disclose, under no circumstances, data supplied by individual company. X Do not disclose aggregated data which would permit to identify individual company’s data. In case of doubt, ask for a prior review by a legal counsel.

3.2.2 EUROSMART VOLUME SHIPMENTS, MARKET VOLUME ESTIMATES AND FORECASTS

Eurosmart conducts statistical programs which must comply with these Antitrust Compliance Guidelines and in particular with the GENERAL RULES on statistical collection and reporting.

DO’s	DON’Ts

<ul style="list-style-type: none"> ✓ Collection and aggregation of data are performed by an independent third party (<i>i.e.</i>, legal counsel). ✓ For the volume shipments <ul style="list-style-type: none"> - The independent third party calculates the total volume shipments based on the information provided by all the participants. ✓ For the market volume shipments estimates and perspectives in particular: <ul style="list-style-type: none"> - Market volume estimates and forecasts should reflect members' estimates based on their own experience and available market statistics; - The independent third party calculates and provides average figures and standard deviations on market volume estimates and perspectives based on the information provided by all the participants; - These average figures will be presented as the Eurosmart market volume estimates and perspectives. ✓ Based on the evolution of the estimates and perspectives from one period to the next, Eurosmart will present the main growth drivers and trends by segment to be published (e.g., in 	<p>X Do not disclose aggregated data which would permit to identify individual competitor's data (<i>i.e.</i>, less than 3 participants – this figure is likely to evolve according to the number of participants and the market's features).</p>
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DO's	DON'Ts
telecom, still strong growth in developing markets in 2011 – see Eurosmart's press release dated November 15, 2011).	