

**MIRENCO, INC.**  
**PROCEDURES AND GUIDELINES GOVERNING INSIDER TRADING AND TIPPING**

**I. PURPOSE**

In order to comply with federal and state securities laws governing (a) trading in Mirencos, Inc. (“Company”) securities while in the possession of “material nonpublic information” concerning the Company, and (b) tipping or disclosing material nonpublic information to outsiders, and in order to prevent even the appearance of improper insider trading or tipping, the Company has adopted this policy for all of its directors, officers and employees, their family members, and specially designated outsiders who have access to the Company’s material nonpublic information.

**II. SCOPE**

A. This policy covers all directors, officers and employees of the Company, their family members (collectively referred to as “Insiders”), and any outsiders whom the Insider Trading Compliance Officer may designate as Insiders because they have access to material nonpublic information concerning the Company.

B. The policy applies to any and all transactions in the Company’s securities, including its common stock and options to purchase common stock, and any other type of securities that the Company may issue, such as preferred stock, convertible debentures, warrants and exchange-traded options or other derivative securities.

C. The policy will be delivered to all directors, officers, employees and designated outsiders upon its adoption by the Company, and to all new directors, officers, employees and designated outsiders at the start of their employment or relationship with the Company. Upon first receiving a copy of the policy or any revised versions, each Insider must sign an acknowledgment that he or she has received a copy and agrees to comply with the policy’s terms. Certain Insiders, as defined below, may be required to certify compliance with the policy on an annual basis.

**III. INSIDER TRADING COMPLIANCE OFFICER AND COMPLIANCE COMMITTEE**

The Company has designated Glynis Hendrickson as its Insider Trading Compliance Officer (the “Compliance Officer”). The Insider Trading Compliance Committee (the “Compliance Committee”) will consist of the Compliance Officer and the Company’s legal counsel. The Compliance Committee will review and either approve or prohibit all proposed trades by Insiders.

The Compliance Officer may designate one or more individuals who may perform the Compliance Officer’s duties or the duties of the other member of the Compliance Committee in the event that the Compliance Officer or other Committee member is unable or unavailable to perform such duties.

#### IV. DEFINITION OF “MATERIAL NONPUBLIC INFORMATION”

A. “MATERIAL” INFORMATION.” Information about the Company is “material” if it would be expected to affect the investment or voting decisions of the reasonable shareholder or investor, or if the disclosure of the information would be expected to significantly alter the total mix of the information in the marketplace about the Company. In simple terms, material information is any type of information which could reasonably be expected to affect the price of Company securities. While it is not possible to identify all information that would be deemed “material,” the following types of information ordinarily would be considered material:

- Financial performance, especially quarterly and year-end earnings, and significant changes in financial performance or liquidity.
- Company projections and strategic plans.
- Potential mergers and acquisitions or the sale of Company assets or subsidiaries.
- New major contracts, orders, suppliers, customers, or finance sources, or the loss thereof.
- Major discoveries or significant changes or developments in products or product lines, research or technologies.
- Significant changes or developments in supplies or inventory, including significant product defects, recalls or product returns.
- Significant pricing changes.
- Stock splits, public or private securities/debt offerings, or changes in Company dividend policies or amounts.
- Significant changes in senior management.
- Significant labor disputes or negotiations.
- Actual or threatened major litigation, or the resolution of such litigation.

B. “NONPUBLIC” INFORMATION.” Material information is “nonpublic” if it has not been widely disseminated to the public through major newswire services, national news services and financial news services. For the purposes of this policy, information will be considered public, i.e., no longer “nonpublic”, after the close of trading on the second full trading day following the Company’s widespread public release of the information.

#### V. STATEMENT OF COMPANY POLICY AND PROCEDURES

##### A. PROHIBITED ACTIVITIES

1. No Insider may trade in Company securities while possessing material nonpublic

information concerning the Company.

2. No Insider may trade in Company securities outside of the applicable “trading windows” described in Section V.B below, or during any special trading blackout periods designated by the Compliance Officer.

3. No Insider may trade in Company securities unless the trade(s) have been approved by the Compliance Committee. To the extent possible, Insiders should retain all records and documents that support their reasons for making each trade.

4. The Compliance Officer may not trade in Company securities unless the trade(s) have been approved by the other member of the Compliance Committee in accordance with the procedures set forth in Section V.C below.

5. No Insider may “tip” or disclose material nonpublic information concerning the Company to any outside person (including family members, analysts, individual investors, and members of the investment community and news media), unless required as part of that Insider’s regular duties for the Company and authorized by the Compliance Officer and/or the Investor Relations Committee. In any instance in which such information is disclosed to outsiders, the Company will take such steps as are necessary to preserve the confidentiality of the information, including requiring the outsider to agree in writing to comply with the terms of this policy and/or to sign a confidentiality agreement. All inquiries from outsiders regarding material nonpublic information about the Company must be forwarded to the Compliance Officer and/or the Investor Relations Committee.

6. No Insider may give trading advice of any kind about the Company to anyone while possessing material nonpublic information about the Company, except that Insiders should advise others not to trade if doing so might violate the law or this policy. The Company strongly discourages all Insiders from giving trading advice concerning the Company to third parties even when the Insiders do not possess material nonpublic information about the Company.

7. No Insider may trade in any interest or position relating to the future price of Company securities, such as a put, call or short sale.

8. No Insider may (a) trade in the securities of any other public company while possessing material nonpublic information concerning that company, (b) “tip” or disclose material nonpublic information concerning any other public company to anyone, or (c) give trading advice of any kind to anyone concerning any other public company while possessing material nonpublic information about that company.

## **B. TRADING WINDOWS AND BLACKOUT PERIODS**

1. Trading Window for Insiders. After obtaining trading approval from the Compliance Committee, Insiders may trade in Company securities only during the period beginning at the close of trading on the second full trading day following the Company’s widespread public release of quarterly or year-end earnings, and ending at the close of trading on the fifteenth Trading Day prior to the close of the fiscal quarter, provided that during this period no circumstances exist that otherwise close the Trading Window.

2. No Trading During Trading Windows While in the Possession of Material Nonpublic Information. No Insiders possessing material nonpublic information concerning the Company may trade in Company securities even during applicable trading windows. Persons possessing such information may trade during a trading window only after the close of trading on the second full trading day following the Company's widespread public release of the information.

3. No Trading During Blackout Periods. No Insiders may trade in Company securities outside of the applicable trading windows or during any special blackout periods that the Compliance Officer may designate. No Insiders may disclose to any outside third party that a special blackout period has been designated.

4. Exceptions for Hardship Cases. The Compliance Officer may, on a case-by-case basis, authorize trading in Company securities outside of the applicable trading windows (but not during special blackout periods) due to financial hardship or other hardships, but only in accordance with the procedures set forth in Section V.C.2 below.

#### C. EMPLOYEE BENEFIT PLANS

1. Stock Option Plans. The trading prohibitions and restrictions of this policy apply to all sales of securities acquired through the exercise of stock options granted by the Company, but not to the acquisition of securities through such exercises.

E. PRIORITY OF STATUTORY OR REGULATORY TRADING RESTRICTIONS. The trading prohibitions and restrictions set forth in this policy will be superseded by any greater prohibitions or restrictions prescribed by federal or state securities laws and regulations, e.g., short-swing trading under Section 16 or restrictions on the sale of securities subject to Rule 144 under the Securities Act of 1933. Any Insider who is uncertain whether other prohibitions or restrictions apply should ask the Compliance Officer.

### VI. POTENTIAL CIVIL, CRIMINAL AND DISCIPLINARY SANCTIONS

A. CIVIL AND CRIMINAL PENALTIES. The consequences of prohibited insider trading or tipping can be severe. Persons violating insider trading or tipping rules may be required to disgorge the profit made or the loss avoided by the trading, pay the loss suffered by the person who purchased securities from or sold securities to the insider tippee, pay civil penalties up to three times the profit made or loss avoided, pay a criminal penalty of up to \$5 million, and serve a jail term of up to twenty years. The Company and/or the supervisors of the person violating the rules may also be required to pay major civil or criminal penalties.

B. COMPANY DISCIPLINE. Violation of this policy or federal or state insider trading or tipping laws by any director, officer or employee, or their family members, may subject the director to dismissal proceedings and the officer or employee to disciplinary action by the Company up to and including termination for cause.

C. REPORTING OF VIOLATIONS. Any Insider who violates this policy or any federal or state laws governing insider trading or tipping, or knows of any such violation by any

other Insiders, must report the violation immediately to the Compliance Officer. Upon learning of any such violation, the Compliance Officer, in consultation with the other Compliance Committee member and the Company's legal counsel, will determine whether the Company should release any material nonpublic information, or whether the Company should report the violation to the SEC or other appropriate governmental authority.

## VII. INQUIRIES

Please direct all inquiries regarding any of the provisions or procedures of this policy to the Compliance Officer.

## CERTIFICATION

I acknowledge that I have received copies of Mirencó's Procedures and Guidelines Governing Insider Trading and Tipping and certify that I have read, understand and will comply with the policies and procedures set forth in such document. I understand that, if I am an employee of the Company, my failure to comply in all respects with the Company's policies, including the Company Policy Regarding Special Trading Procedures, is a basis for termination of my employment with the Company and any subsidiary thereof to which my employment now relates or may in the future relate.

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Print Name: \_\_\_\_\_