



## **SUNOVION PHARMACEUTICALS INC.**

### **CORPORATE POLICY**

<b>WORKING TITLE:</b> <b>Competitive Intelligence Policy</b>		<b>POLICY NO: 1.12</b>	
<b>Supersedes:</b>	<b>Approval:</b> <b>Corporate Policy Review Committee (CPRC)</b>	<b>Date Issued:</b> <b>March 11, 2011</b>  <b>Date Amended:</b> <b>January 5, 2012</b>	<b>Page: 1 of 4</b>

#### **Section 1. PURPOSE:**

This Policy is designed to ensure that the process for gathering Competitive Intelligence complies with the Sunovion Code of Conduct and Ethics and other Company policies, as well as any applicable laws and industry guidelines.

#### **Section 2. DEFINITIONS:**

“Competitive Intelligence” is the action of defining, gathering, analyzing and distributing information about products, customers, competitors and any aspect of the environment needed to support executives and managers in making strategic decisions for an organization.

“Confidential Information” is proprietary, non-public, scientific, technical, financial, business or other information or data owned, possessed or used by a company, whether or not labeled “confidential,” including, but not limited to, (a) information about products, customers, partners, and business operations and strategies, (b) deliverables, records and materials, (c) financial information, forecasts, and employee information,. The law protects such information from unauthorized use or disclosure provided that (1) the owner makes a reasonable effort to keep that information secret from others, (2) the information is not generally known to the public and (3) the information confers some sort of economic benefit on its holder (where this benefit must derive specifically from its not being generally known, not just from the value of the information itself).

“Policy” refers to this Competitive Intelligence Policy.

“Service Providers” refers to any consultants, vendors, or other third parties retained to provide services for the Company.

“Sunovion” or “Company” means Sunovion Pharmaceuticals Inc.

#### **Section 3. APPLICABILITY AND RESPONSIBILITIES:**

This Policy applies to Sunovion and all its employees based in the US and its Service Providers.

If Employees encounter Competitive Intelligence while performing their day-to-day activities or are planning a formal Competitive Intelligence gathering effort and have any questions regarding this policy or the standards set forth in it, should consult with the Legal Affairs Department before acting on any such information.

#### **Section 4. GENERAL:**

This Policy establishes the process to be used by Company employees who seek, receive or use Competitive Intelligence from any source, including customers, agents, suppliers, or Service Providers engaged to gather such information for Sunovion. This Policy does not address communications or information exchanges with competitors. Such direct communications may raise issues under the antitrust laws and may result in liability for the Company and employees individually. For further information about compliance with antitrust laws, refer to the Sunovion Code of Conduct and Ethics or consult with the Legal Affairs Department.

This Policy is not intended to discourage employees from gathering Competitive Intelligence, rather it is meant to provide employees with an understanding of acceptable methods that may be used to gather Competitive Intelligence in accordance with applicable legal requirements, the Sunovion Code of Conduct and Ethics and other applicable Company policies. Improper gathering, receipt or use of Competitive Intelligence may result in internal discipline, up to and including termination, and may subject employees and Sunovion to significant civil and criminal sanctions.

Employees must not under any circumstances seek, receive or use Confidential Information of another entity unless they are authorized to possess and use that information under terms of a non-disclosure, confidentiality or similar agreement. When considering whether a particular piece of information is confidential, check to see if it is marked "confidential" or "internal" or contains a similar heading. If it does not, ask yourself whether Sunovion would treat this type of information as confidential or whether the entity has made an effort to keep the information confidential. Employees and Service Providers may not solicit Confidential Information from former employees of competitors and may not utilize the Confidential Information of a previous employer. If you have any question or doubt whether certain information may be considered confidential, you should contact the Legal Affairs Department.

The Company may collect Competitive Intelligence from publicly available information, other open sources of information or through ethical inquiries. No employee or Service Provider may acquire Competitive Intelligence through improper means, misrepresentation, or the improper access to a competitor's facility. Employees and Service Providers should always accurately disclose all relevant information, including their identity and corporate affiliation, prior to discussion Competitive Intelligence with any third parties.

When undertaking Competitive Intelligence gathering activities, employees and Service Providers may not use methods that violate applicable laws, this Policy, the Sunovion Code of Conduct and Ethics or other applicable Company policies..

Employees may engage Service Providers to gather Competitive Intelligence provided the Service Providers agree to abide by applicable laws, this Policy, the Sunovion Code of Conduct and Ethics and other applicable Company policies.

Employees must never ask or permit a Service Provider to act inconsistently with this Policy.

Service Providers engaged for the purpose of collecting Competitive Intelligence must adhere to the Society of Competitive Intelligence Professionals (SCIP) Code of Ethics and must have their own Code of Ethics and provide Sunovion with a copy for review prior to entering into Master Services Agreement.

A copy of this Policy should be included in all Service Agreements between Sunovion and Service Providers hired to collect Competitive Intelligence.

## **Section 5. OTHER MATTERS:**

### **5.1 Amendment**

Management reserves the right to amend this Policy as appropriate at any time without prior notice, pursuant to Sunovion Corporate Policy 1.0, "**Corporate Policy Review Committee (CPRC)**."

### **5.2 Failure to Comply**

**EMPLOYEES WHO VIOLATE ANY SUNOVION POLICIES AND PROCEDURES MAY BE SUBJECT TO DISCIPLINARY ACTION, UP TO AND INCLUDING TERMINATION OF EMPLOYMENT.**

### **5.3 Reporting Concerns**

Reports concerning wrongful behavior, violations or suspected violations of this or any other policy, the Code of Conduct and Ethics, law or regulation may be submitted on a confidential basis or may be submitted anonymously through the Sunovion Compliance Hotline as set forth below. Reports of violations or suspected violations of alleged misconduct or wrongful behavior are maintained as confidential as practicable under the circumstances, and as necessary to conduct a full and fair investigation.

Reporting Hotline Options:

- (a) Toll free telephone number. 866-886-1348
- (b) Via the internet at: [www.ethicspoint.com](http://www.ethicspoint.com)

Sunovion does not tolerate any form of retaliation or adverse action against any employee who submits a report of misconduct. In addition to these protections, an employee may also avail themselves of the remedies afforded under federal and state law, including the federal "False Claims Act," 31 U.S.C. Sections 3729-3733, the Commonwealth of Massachusetts Whistleblower Protection Act, M.G.L 149, Chapter 185 and the New Jersey Conscientious Employee Protection Act, N.J. Stat. Ann. Section 34:19, Sections 1 to 8.

#### 5.4 Audit

Each department; shall perform periodic reviews of the implementation of this Policy, under the oversight and guidance of the Chief Compliance and Ethics Officer.

#### 5.5 Cross-References to other Corporate Policies

Sunovion Code of Conduct and Ethics

Society of Competitive Intelligence Professionals (SCIP) Code of Ethics [WWW.SCIP.ORG](http://WWW.SCIP.ORG)