

QAD INC. AND SUBSIDIARY COMPANIES CORPORATE POLICY		Revision Level n/a	Policy No. CBP-0131
Title <i>Code of Business Conduct:</i> Export Administration and International Economic Sanctions 1-010	Original Date Jun 30, 1998	Revision Date Dec 13, 2016	Page 1 of 2

1.0 PURPOSE

1.1 This policy provides guidelines for compliance with the requirements of United States export administration and international economic sanctions Laws and regulations, the requirements of export licenses issued by the United States Department of Commerce, the United States Department of State, the United States Department of the Treasury and other agencies, that require the Company to have an effective and comprehensive internal control program to monitor compliance with the applicable regulations.

2.0 POLICY

2.1 The Company will comply with the United States Export Administration Act ("EAA") and the Export Administration Regulations promulgated thereunder ("EAR"); the Arms Export Control Act ("AECA") and the International Traffic in Arms Regulations promulgated thereunder (the "ITARs"); regulations to implement international economic sanctions programs involving particular countries, including regulations promulgated by the Office of Foreign Assets Control of the Department of the Treasury; any subsequent Laws and regulations of similar effect to the foregoing; any other export Laws and regulations as from time to time may be in force; and the terms and conditions of any license issued pursuant thereto. No business will be transacted nor item exported in contravention of the foregoing.

2.2 Each employee and agent of the Company shall comply with the EAA and the EAR, the AECA and ITARs, international economic sanctions and all other export administration Laws and regulations, and all applicable rules, systems and procedures issued and established to comply with this policy. There shall be no exception to this policy, nor shall it be compromised or qualified by anyone acting for or on behalf of the Company.

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3.0 PROCEDURE

3.1 QAD has established a comprehensive internal control program ("Program") to ensure compliance with the Laws and regulations described above and licenses issued thereunder, and has appointed compliance personnel responsible for export control matters.

3.2 The compliance personnel shall operate the Program so that it meets the compliance requirements of applicable Law. The compliance personnel shall monitor compliance with the Program and shall report any failures to the Chief Financial Officer and the officer in charge of legal matters or any designee. The Program shall include rules, systems and procedures that will ensure compliance with the applicable Laws and regulations and the terms and conditions of all licenses issued to the Company thereunder.

3.3 Any employee or agent having a question on matters having possible implications under the applicable provisions of the export control and international economic sanctions Laws and regulations and the requirements of the Program shall refer such question to the export control manager, the Chief Financial Officer or the officer in charge of legal matters.

4.0 OTHER REFERENCES

4.1 Corporate Policy CBP-0133, Boycotts Outside the United States 1-011.