



**POLICIES AND PROCEDURES REGARDING  
RELATED PERSON TRANSACTIONS  
OF  
CARBONITE, INC.**

**General Policy**

The Code of Business Conduct and Ethics of Carbonite, Inc. (together with its subsidiaries, the “Company”) prohibits officers, directors, and employees of the Company from engaging in transactions that constitute personal conflicts of interest. Further, the Company shall disclose information regarding Related Person Transactions (as defined herein) that is required to be disclosed by the Company pursuant to regulations promulgated by the United States Securities and Exchange Commission (the “SEC”), in its proxy statement, Annual Report on Form 10-K, and other filings made with the SEC where the amount involved in the Related Person Transaction at issue exceeds \$120,000. The policies and procedures set forth herein are designed to allow the Company to (a) review, approve or ratify personal conflicts of interest as they pertain to Related Persons (as defined herein) and (b) comply with the disclosure obligations set forth above.

**Definitions**

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Executive Officer” has the meaning ascribed to such term in Rule 3b-7 promulgated under the Exchange Act.

“Immediate Family Member” means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of a director, director nominee, Executive Officer, or Significant Shareholder (as defined herein) of the Company and any person (other than a tenant or employee) sharing the household of such director, director nominee, Executive Officer, or Significant Shareholder of the Company.

“Related Person” means any director, director nominee, Executive Officer, or Significant Stockholder of the Company and any Immediate Family Member of any such person.

“Related Person Transaction” means a consummated or currently proposed transaction, including any indebtedness or a guarantee of indebtedness, in which the Company was or is to be a participant, the amount involved exceeds \$50,000, and the Related Person had or will have a direct or indirect material interest.

Notwithstanding the foregoing, a Related Person Transaction does not include:

- The payment of compensation by the Company to an Executive Officer or director of the Company;

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- Indebtedness due from a Related Person for transactions in the ordinary course of business;
- A transaction in which the interest of the Related Person arises solely from ownership of a class of securities of the Company where all holders of that class of securities receive the same benefit, on a pro-rata basis, from the transaction; or
- A transaction in which the rates or charges involved are determined by competitive bids.

A Related Person is not deemed to have a material interest in a transaction in the ordinary course of the Company's business if that Related Person's interest arises only from:

- The Related Person's position as a director of another party to the transaction;
- The ownership by such Related Person and all other Related Persons, in the aggregate, of less than a 5% equity interest in another person or entity (other than a partnership) that is a party to the transaction;
- Both such a Related Person's position as a director and such Related Person's ownership interest, as set forth above; or
- Such Related Person's position as a limited partner in a partnership in which such Related Person and all other Related Persons, in the aggregate, hold an interest of less than 5%, provided that such Related Person is not a general partner of, and does not hold another position in, the partnership.

"Required Information" means:

- The name of the Related Person and, if he or she is an Immediate Family Member, the nature of such Immediate Family Member's relationship with the director, director nominee, Executive Officer, or Significant Shareholder of the Company;
- The Related Person's interest in the transaction, including the Related Person's position(s) or relationship(s) with, or ownership of, a firm, corporation, or other person or entity that is a party to, or has an interest in the transaction;
- The approximate dollar value of the amount involved in the transaction;
- The approximate dollar value of the amount of the Related Person's interest in the transaction, computed without regard to the amount of profit or loss; and
- In the case of indebtedness, the largest total amount of principal outstanding since the beginning of the Company last fiscal year, the amount of principal outstanding as of the



last practicable date, the amount of principal paid since the beginning of the Company last fiscal year and the rate or amount of interest payable on the indebtedness.

“Significant Stockholder” means any beneficial owner of more than 5% of any class of the Company’s voting securities.

### **Procedures**

Each director, director nominee, and Executive Officer of the Company shall disclose to the Audit Committee of the Board of Directors of the Company (the “Audit Committee”) the Required Information relating to any Related Person Transaction to which such director, director nominee, Executive Officer, or any Immediate Family Member of such any individual, is a party, for review, approval or ratification by the Audit Committee. Such disclosure to the Audit Committee should occur before, if possible, or as soon as practicable after the Related Person Transaction is effected, but in any event as soon as practicable after the director, director nominee or Executive Officer becomes aware of the Related Person Transaction. Such disclosure by the Audit Committee should be updated for any material changes. Further, each director and Executive Officer of the Company shall complete the questionnaire sent annually by the Company to such individual and shall disclose the Required Information with regard to any proposed Related Person Transaction or any Related Person Transaction consummated since the beginning of the Company’s last fiscal year. Any director, director nominee, or Executive Officer of the Company who becomes aware of a Related Person Transaction between the Company and Significant Stockholder shall, as soon as practicable, disclose to the Audit Committee the Required Information with respect to such Related Person Transaction.

No Related Person Transaction shall be consummated unless the Audit Committee has approved or ratified such transaction in accordance with the guidelines set forth herein. In determining whether or not to approve or ratify a Related Person Transaction, the Audit Committee shall consider (a) the relevant facts and circumstances of the Related Person Transaction, including if the Related Person Transaction is on terms comparable to those that could be obtained in arm’s length dealings with an unrelated third-party, (b) the extent of the Related Person’s interest in the Related Person Transaction, (c) whether the Related Person Transaction contravenes the conflict of interest and corporate opportunity provisions of the Company’s Code of Business Conduct and Ethics, (d) whether the relationship underlying the Related Person Transaction at issue is believed to serve the best interest of the Company and its stockholders, and (e) the effect that a director’s Related Person Transaction may have on such director’s status as a independent member of the Board and eligibility to serve on committees of the Board pursuant to SEC rules and applicable stock exchange listing standards.

No director shall participate in any discussion of, or decision concerning, a Related Person Transaction as to which he or she is a Related Person (except that the director shall provide the Required Information regarding the Related Person Transaction to the Audit Committee).

### **Amendment**

The Company reserves the right to amend, supplement or discontinue this Code at any time and without prior notice.