

Tiburon Research Group, Inc.**Insider Trading, Employee Trading, & Material Nonpublic Information Policies and Procedures**

Tiburon Research Group, Inc. (hereafter, the "Company") is currently registered as an investment adviser in the state of California. Reference herein is often made to the Investment Advisers Act of 1940, which typically mirrors relevant state regulatory requirements. Issues relating to the laws of a particular state should be referred to outside counsel.

The Company has adopted these policies and procedures to provide guidance to its employees regarding laws addressing the possession and use of material, nonpublic information and to prevent and detect insider trading. All employees (including part-time contractors or consultants), officers, and directors of the Company must familiarize themselves with the information, guidelines, and procedures contained in this document. Any questions regarding these issues should be directed to the Company's Compliance Officer or outside counsel. As used in these procedures, "Compliance Officer" shall refer to Rob Wilson or his designee.

Insider trading is strictly prohibited. The Insider Trading and Securities Fraud Enforcement Act of 1988 imposes stiff criminal and civil penalties upon persons who trade while in possession of "inside information" or who communicate such information to others in connection with a securities transaction.

1. What Constitutes Insider Trading?

"Inside information" is defined as material nonpublic information about an issuer or security. Such information typically originates from an "insider" of the issuer, such as an officer, director, or controlling shareholder. However, insider trading prohibitions also extend to trading while in possession of certain "market information." "Market information" is material nonpublic information which affects the market for an issuer's securities but which comes from sources outside the issuer. A typical example of market information is knowledge of an impending tender offer.

In order to assess whether a particular situation runs afoul of the prohibition against insider trading, keep in mind the following:

- Information is deemed "material" if there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions. Among the types of information which may be deemed to be material is information relating to:
 1. Issuer generated revenue and sales trend figures;
 2. Financial announcements including periodic results and forecasts (especially earnings releases and estimates of earnings);
 3. Changes in previously disclosed financial information;
 4. Mergers, acquisitions or takeovers;
 5. Proposed issuances of new securities;
 6. Significant changes in operations;

7. Significant increases or declines in backlog orders or the award or loss of a significant contract;
 8. Significant new products to be introduced or significant discoveries of oil and gas, minerals or the like;
 9. Major litigation (civil or criminal);
 10. Significant changes in management;
 11. The purchase of sale of substantial assets; and
 12. Significant regulatory actions.
- Information is considered “nonpublic” if it has not been released through appropriate public media in such a way as to achieve a broad dissemination to the investing public generally, without favoring any special person or group. Unfortunately, the question of publicity is very fact-specific; there are no hard and fast rules.
 - In the past, information has been deemed to be publicly disclosed if it was given to the Dow Jones Broad Tape, Reuters Financial Report, the Associated Press, United Press International, or one or more newspapers of general circulation in the New York City area. On the other hand, public dissemination is not accomplished by disclosure to a select group of analysts, broker-dealers and market makers; or via a telephone call-in service for investors. Note that there also is authority that disclosure to Standard and Poor's and Moody's alone may not suffice.

The selective disclosure of material nonpublic information by corporate insiders may lead to violations by an outsider (the Company, for example) of §10 (b) of the Securities Exchange Act of 1934 and Rule 10 (b) 5) there under under the following conditions:

- The insider intentionally breached a duty of confidentiality owed to the issuer's shareholders;
 - The insider received some personal benefit from this breach, either by way of pecuniary gain or a reputational benefit that could translate into future earnings;
 - The outsider knew or should have known that the insider breached a duty by disclosing the information; and
 - The outsider acts with scienter -- i.e., a mental state showing an intent to deceive, manipulate or defraud.
- An outsider might also run afoul of the prohibition against insider trading under a "misappropriation" theory. This theory applies to those who trade on information they have taken in breach of some fiduciary duty, even though that may not be a duty to the issuer's shareholders.

An example of this would be a newspaper reporter who misappropriates information he has received in the course of his job writing articles for his employer, and then trades before that information becomes public. Another example would be an employee of an investment adviser who trades while in possession of material, nonpublic information he learns in the course of his advisory duties.

2. Penalties for Insider Trading

Penalties for trading on or communicating material nonpublic information are severe, both for individuals involved in such unlawful conduct and their employers. A person can be subject to some or all of the penalties below even if he or she does not personally benefit from the violation. Penalties include:

- Civil injunctions;
- Disgorgement of profits;
- Jail sentences;
- Fines for the person who committed the violation of up to three times the profit gained or loss avoided, whether or not the person actually benefitted; and
- Fines for the employer or other controlling person of up to the greater of \$1,000,000 or three times the amount of the profit gained or loss avoided.

In addition to penalties provided by law, any violation of the Company's policies and procedures on insider trading can be expected to result in serious sanctions by the Company, including, without limitation, dismissal of the individuals involved.

3. Employee Securities Trading Policy

The Company has adopted a Securities Trading Policy (the "Trading Policy"), which prohibits trading of any security the Company "covers" or analyzes for its institutional investor clients (see the attached list, which will be updated from time-to-time as coverage changes).

In consideration of employment or continued employment by **Tiburon Research Group, Inc.**, and the compensation paid to the employee during the employment with the Company, each employee agrees to abide by the terms of this Trading Policy.

The Trading Policy covers directors, officers, and all other employees of the Company, as well as immediate family members of such persons, in each case where such persons have or may have access to the Company's research or recommendations. The Trading Policy applies to all financial transactions of the Company's "covered" securities, including common stock, bonds, options for common stock, and any other tradable financial assets.

1. Common Stock. It is Company's Trading Policy that no employee will trade any common stock on any of Company's "covered" securities.
2. Derivative Securities. It is Company's Trading Policy that no employee will trade any financial derivative security, i.e. puts or calls, on any of Company's "covered" securities.

The Company will periodically require employees to submit a signed verification to the effect that he or she is familiar with the Trading Policy prescribed and is unaware of any violations of the Trading Policy. In the event the Trading Policy changes, as required by new laws and regulations, employees of Company will be required to sign an updated Trading Policy.

4. **Material Nonpublic Information Guidelines & Procedures**

In addition to the due diligence of a company's publicly available SEC filings and historical conference call transcripts, Tiburon Research Group, Inc.'s (hereafter, the "Company") employees perform primary research on the companies which the firm covers. Generally, the form of primary research the Company's employees utilize involves store-level analysis of a variety of publicly traded retailers.

The Company's store-level analysis is primarily focused on year-over-year merchandising trends, year-over-year markdown levels, year-over-year inventory levels, and the effectiveness of a retailer's operational initiatives. In addition, the Company's employees many times attempt to confirm or deny managerial assertions made on quarterly conference calls and/or investor presentations.

In order to prevent the acquisition of material nonpublic information, all of the Company's employees are to adhere to the following guidelines:

- In performing store-level primary research, the Company's employees are prohibited from engaging store associates in conversations regarding any and all sales related data. This includes (1) that particular store's total sales (2) that particular store's total sales as compared to the prior year, or (2) the company's total sales as compared to the prior year;
- If any firm employee believes that he or she has learned material, nonpublic inside or market information, the employee must notify Company's Compliance Officer of this fact immediately.

Once the employee has notified its Compliance Officer of the acquisition of potentially material nonpublic information, neither the Company nor its employees may effect transactions in the securities of the subject issuer, either for themselves or for any client, until such information has been publicly disseminated or the Compliance Officer has determined that the information is not material nonpublic information.

In addition, the employees of the Company may not publish said information in a research note that is sent to its institutional clients, until such information has been publicly disseminated or the Compliance Officer has determined that the information is not material nonpublic information;

- The Company's Compliance Office shall document the Company's receipt of potential material nonpublic information, and the steps taken by the Company in response to such information.
- All information about the Company's clients, including but not limited to the value of accounts; securities bought, sold or held; current or proposed business plans; acquisition targets; confidential financial reports or projections; borrowings, etc. must be held in strictest confidence.
- No "expert networks" are to be utilized as part of the Company's primary research effort.

Company Coverage List – Securities Trading Prohibited (December 29, 2010)

Abercrombie & Fitch (ANF)	Cross (CROX)	Nordstrom (JWN)
Aeropostale (ARO)	Darden (DRI)	Overstock (OSTK)
Amazon (AMZN)	Decker's (DECK)	P&G (PG)
American Eagle (AEO)	Dick's Sport (DKS)	P.F. Chang's (PFCB)
Ann Taylor (ANN)	Dillard's (DDS)	Pacific Sunwear (PSUN)
Apple (AAPL)	Dollar Tree (DLTR)	Panera Bread (PNRA)
Avon (AVP)	Dress Barn (DBRN)	Pier 1 (PIR)
Bebe (BEBE)	Ethan Allen (ETH)	Rocky Shoes (RCKY)
Bed Bath & Beyond (BBBY)	Family Dollar (FDO)	Ross Stores (ROST)
Best Buy (BBY)	Gap (GPS)	Ruby Tuesday (RT)
Brinker (EAT)	Green Mountain (GMCR)	Safeway (SWY)
Buckle Inc. (BKE)	Hansen's Nat (HANS)	Staples (SPLS)
Buffalo Wild (BWLD)	Hasbro (HAS)	Starbucks (SBUX)
Build-a-Bear (BBW)	Hibbett Sports (HIBB)	Talbots (TLB)
Cache (CACH)	Home Depot (HD)	Target (TGT)
Casual Male (CMRG)	Hot Topic (HOTT)	TJX Companies (TJX)
Cato Corp (CTR)	J Crew Group (JCG)	True Religion (TRLG)
Cheesecake Factory (CAKE)	J.C. Penney (JCP)	Tuesday Morning (TUES)
Chico's (CHS)	Kirkland's (KIRK)	Under Armor (UA)
Children's Place (PLCE)	Kohl's (KSS)	Urban Outfitters (URBN)
Chipotle Mexican Grill (CMG)	Lowe's (LOW)	VF Corp (VFC)
Citi Trends (CTRN)	Lululemon (LULU)	Volcom (VLCM)
CKE Restaurants (CKR)	Macy's (M)	Wal-Mart (WMT)
Coach (COH)	McDonald's (MCD)	Wet Seal (WTSLA)
Coldwater Creek (CWTR)	NetFlix (NFLX)	Williams-Sonoma (WSM)
Collective Brands (PSS)	New York & Co (NWY)	Yum Brands (YUM)
Cost Plus (CPWM)	Nike (NKE)	Zumiez (ZUMZ)

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Attestation

I acknowledge that I have reviewed these procedures and received verbal training regarding these procedures on _____ <insert date> and that I will abide by such policies during my association with Tiburon Research Group.

Signature: _____

Print Name: _____

Date: _____