

ACRONIS INC. LTD.
Code of Conduct

Table of Contents

| | | |
|-----|--|----|
| 1. | Introduction – General Statement of Company Policy | 1 |
| 2. | Lawful and Ethical Behavior | 3 |
| 3. | Code of Ethics..... | 3 |
| 4. | Accurate Books and Records | 4 |
| 5. | Confidential Information | 5 |
| 6. | Conflicts of Interest..... | 5 |
| 7. | Gifts and Entertainment | 6 |
| 8. | Corporate Opportunities..... | 7 |
| 9. | Unauthorized Use of Company Property or Services | 7 |
| 10. | Fair Competition | 8 |
| 11. | Antitrust | 8 |
| 12. | Government Business | 8 |
| 13. | Political Activity | 9 |
| 14. | Environment, Health and Safety; Substance Abuse | 9 |
| 15. | Fair Employment Practices; Non-Harassing Environment..... | 10 |
| 16. | Copyrights and Computer Software..... | 10 |
| 17. | International Business | 10 |
| 18. | Audits..... | 12 |
| 19. | Reporting Violations; No Retaliation Policy | 12 |
| 20. | Monitoring, Auditing, Corrective Action and Discipline | 12 |
| 21. | Waivers and Amendments | 13 |

Acronis Inc. Ltd.
Code of Conduct

1. Introduction – General Statement of Company Policy

Acronis Inc. Ltd. and each of its subsidiaries and other business entities controlled by it worldwide (collectively, the “Company”) require lawful and ethical behavior at all times. This Code of Conduct is promulgated by the Board of Directors and the purpose of this Code of Conduct is to provide you with a statement of certain key policies and procedures of the Company for you to follow in conducting business in a legal and ethically appropriate manner. This Code of Conduct is intended as one element in the Company’s efforts to ensure lawful and ethical conduct on the part of you and the Company. This Code of Conduct is part of a larger process that includes compliance with the corporate policies themselves, an open relationship between you and your supervisors that is conducive to good business conduct and, above all, your integrity and good judgment.

In that regard, you must:

- Comply with applicable laws, rules and regulations;
- Conduct all dealings with the Company’s customers, suppliers and competitors fairly, honestly and with integrity;
- Ethically handle conflicts of interest, both real and perceived, in personal and professional relationships;
- As applicable to your position and scope of your responsibilities, produce or cause to be produced, fair, full, accurate, timely and understandable disclosure in reports and documents that the Company may file with or submit to regulatory agencies and in other public communications;
- Protect information that belongs to the Company, its customers and suppliers;
- Protect the Company’s assets and ensure their efficient use and promptly report any suspected incident of fraud or theft; and
- Not use your position with the Company or Company assets or information for improper personal gain.

This Code of Conduct includes some general principles. You will be responsible for applying these principles to your own specific responsibilities.

If you violate this Code of Conduct, you may be subject to disciplinary action, up to and including termination of your employment. You must report potential or actual

violations of this Code of Conduct to your immediate supervisor, or, alternatively, to the Company's General Counsel. You may report such conduct openly on a confidential basis or anonymously. You may report violations of this Code of Conduct by contacting the Company's General Counsel by e-mail or mail at: Acronis, Inc., Attention General Counsel, 300 TradeCenter, Suite 6700 Woburn, MA 01801.

The Company will not tolerate any kind of retaliation for reports of complaints regarding the misconduct of others that were made in good faith. Open communication of issues and concerns without fear of retribution or retaliation is critical to the continued success of the Company. If you prefer to report an allegation anonymously, you must provide enough information about the incident or situation to allow the Company to investigate properly.

Investigations of violations of this Code of Conduct or other policies of the Company shall be conducted fairly and timely. Violations of this Code of Conduct, even in the first instance, may result in disciplinary action which may include, alone or in combination, a warning, or letter of reprimand, demotion, loss of merit increase or bonus, suspension without pay, and/or termination of employment. Violations of laws applicable to the Company could result in substantial fines to the Company and the individual violator(s) along with possible imprisonment.

No representation is expressed or implied that the policies stated in this Code of Conduct are all of the Company's relevant policies, or that they are a comprehensive, full or complete explanation of the laws or standards of conduct that are applicable to you or the Company. You have a continuing obligation to familiarize yourself with Company policy.

If you have any questions about the Code of Conduct or about what is required under it in any given situation, please consult with your supervisor or the Company's General Counsel.

You must acknowledge that you have received and reviewed the Code of Conduct and that you agree to comply with the terms of the Code of Conduct by clicking on the "Acknowledge and Agree" link embedded below the Code of Conduct Acknowledgement on page fourteen.

Nothing contained in this Code of Conduct is intended by the Company to be, nor shall it be construed as, an employment agreement or part of an employment arrangement or agreement.

2. Lawful and Ethical Behavior

The foundation on which this Code of Conduct is built is obeying the law and acting ethically. It is the Company's policy that you conduct business in accordance with applicable federal, state and local laws, rules and regulations and with the laws, rules and regulations of other countries in which the Company does business. In addition, the Company's policy requires that you adhere to the highest standard of business ethics and conduct.

You must be alert and sensitive to situations that could result in illegal, unethical, or improper action. When you are faced with a business decision that seems to have ethical overtones, here are some questions that should be helpful to determine if your actions are proper:

- Do I have all the necessary facts?
- Am I informed about all of the legal implications?
- Who has an important stake in the outcome (e.g. employees, customers, suppliers etc.) and what is at stake?
- Does the issue raise ethical issues that go deeper than legal or institutional concerns?
- What are the options for acting, and which options will produce the most good and do the least harm? Which options respect the dignity of all stakeholders?

If you remain uncertain about what to do, if you need advice, or if you have reason to believe that a domestic or foreign law could be violated in connection with Company business or that this Code of Conduct has been or may be violated in any way, promptly notify your immediate supervisor and/or the Company's General Counsel. You should never take any action that your supervisor or the General Counsel has indicated would be inappropriate or would violate laws or our policies.

3. Code of Ethics

This code of ethics applies to all employees, officers and directors of the Company. It contains standards reasonably necessary to promote: honest and ethical conduct, including the handling of actual or apparent conflicts of interest between personal and professional relationships; full, fair, accurate and timely and understandable disclosure in any public communications; and compliance with applicable governmental laws, rules and regulations. It should be read in conjunction with the rest of the Code of Conduct.

You Must:

A. Act with honesty and integrity and be able to identify and appropriately handle actual or apparent conflicts of interests in personal and professional relationships. You should recognize that even the appearance of a conflict of interest can damage the Company. A conflict of interest may exist because a relationship of yours or of a family member that could cause a conflict with your ability to perform your job responsibilities.

B. Produce or cause to be produced, full, fair, accurate, timely and understandable disclosure in reports and documents.

C. Comply with applicable government laws, rules and regulations.

D. Promptly report any violation of this code of ethics to your supervisor or to the Company's General Counsel.

E. If you are an officer, promote ethical behavior by all employees, particularly those involved in financial reporting.

You will be held accountable for your adherence to this code of ethics. Your failure to observe the terms of this code of ethics may result in disciplinary action, up to and including termination of your employment.

4. Accurate Books and Records

The Company requires full, fair, accurate and timely understandable recording and reporting of all Company information. You must act in a manner that insures that all of the Company's books, records, accounts and financial statements are maintained in reasonable detail, appropriately reflect the Company's transactions and conform both to applicable reporting requirements including Generally Accepted Accounting Principles and to the Company's system of internal controls. To do so, you must execute and record transactions in accordance with all internal control procedures implemented by Company management. Furthermore, all of your expense reimbursements submissions must accurately reflect the true nature and amount of your reasonably incurred and documented business expenses. You must also comply with the Company's record retention procedures and, in the event of litigation that you have or may have relevant or related records, please consult the Company's General Counsel.

It is very important that you do not create, or participate in the creation, or perpetuation of any records that are intended to mislead anyone or conceal any improper act of conduct. The Company does not condone and will not tolerate any act or omission by any employee or officer that results in materially misleading financial statements. If you become aware of a materially inaccurate or misleading financial statement, you should report it to the Company's General Counsel.

5. Confidential Information

Proprietary and confidential information generated and gathered in our business is a valuable company asset. Protecting this information is critical to the Company's reputation for integrity and its relationship with investors, and ensures compliance with laws and regulations. Accordingly, you should maintain all proprietary and confidential information in strict confidence, except when disclosure is authorized by the Company or required by law.

"Proprietary information" includes all non-public information that might be useful to competitors or that could be harmful to the Company or its investors if disclosed. It includes, for example, intellectual property, business plans, personal employee information and unpublished financial information. "Confidential information" is information that is not generally known to the public about the Company or its investors. You should maintain the confidentiality of any proprietary or confidential information of other third parties with whom the Company has a relationship with and that have an expectation of confidentiality.

You must, as a condition of employment, enter into a non-disclosure/confidentiality agreement detailing your obligations regarding the Company's proprietary and confidential information, and you must adhere to that agreement.

6. Conflicts of Interest

The Company knows that it can only be truly successful through the diligence and loyalty of its employees. Therefore you must put the best interests of the Company at the forefront of any work-related activity or decision and be able to identify and appropriately handle conflicts of interest.

You should avoid any activity, interest, or association that could impair your ability to perform your work objectively and effectively or that could give the appearance of interfering with your responsibilities on behalf of the Company or its clients. A "conflict of interest" occurs when a director's, officer's or employee's personal interest interferes with the Company's interest. While it is not possible to identify every particular activity that might give rise to a conflict of interest, a conflict of interest may exist because of a relationship of yours or of a family member that could cause a conflict with your ability to perform your job responsibilities. If you or your family members are engaged in any of the activities listed below, then there may be a conflict of interest; accordingly, you must disclose the facts concerning this activity to your immediate supervisor or the Company's General Counsel in order to have the Company address the situation:

A. Any ownership interest in any supplier, customer or competitor (other than nominal amounts of stock in publicly traded companies representing less than one percent (1%) of the outstanding shares);

B. Any consulting or employment relationship with any customer, supplier or competitor;

C. Any outside activity that harms a relationship between the Company and any customer or potential customer, or that interferes with a current or potential contract relationship;

D. Any outside business activity that is competitive with any of the Company's businesses;

E. Any service on any board of directors or advisory board of any customer, supplier or competitor unless such board service has been disclosed to the Company;

F. Any direct supervisory, review or other influential position on the job evaluation, pay or benefits of any close relative;

G. Any sale to or purchase from the Company of anything (unless it is pursuant to a stock incentive plan or a routine program of disposal of surplus property that is offered to all employees in general); and

H. Any situation in which, without proper authorization, you are required or tempted to disclose, or do disclose, any trade secret, confidential or proprietary information or intellectual property of the Company.

If you have any questions regarding activity which may create a conflict of interest, please discuss the situation immediately with your supervisor or the Company's General Counsel.

The Company reserves the right to determine when actual or potential conflicts of interest exist, and then to take on any action, which the Company deems appropriate in its sole judgment. Such actions may include, but is not limited to, having you divest the conflict of interest or return the benefit or gain received, realigning your duties and responsibilities, or disciplinary action, up to and including termination of your employment.

This Conflict of Interest section does not apply to independent directors and directors appointed by holders of Acronis Inc. Ltd. Series A Preferred Shares (or class A common shares issued upon conversion of the Series A Preferred Shares) with respect to matters referred to in Section 6A, 6B, 6D and 6E above and/or any actions they are permitted to take pursuant to Section 8 "Corporate Opportunities." Nothing contained herein will abridge, reduce or modify such directors' fiduciary duties under applicable Bermuda law.

7. Gifts and Entertainment

Generally, you and members of your immediate family may not accept gifts, services, discounts or favors from those with whom the Company does business or considers doing business. Gifts, entertainment, favors or gratuities are subject to the following guidelines:

A. You may accept gifts of nominal value ordinarily used for sales promotion (i.e. calendars, appointment books, pens etc.).

B. Ordinary “business lunches” or reasonable entertainment (no “Super Bowl” tickets etc...) consistent with local social and business customs may also be permissible if these actions are reasonable in cost and frequency.

If you receive a gift that does not fall within these guidelines, you should report it to the Company’s General Counsel so that appropriate action can be taken.

8. Corporate Opportunities

You may not use corporate property, information or position for improper personal gain. You owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. You are prohibited from competing with the Company or taking advantage for personal gain of any opportunity that is discovered through the use of Company property, information or position.

If you are an officer or director, you have an additional obligation not to take advantage for personal gain of any opportunity that the Company may have an interest in pursuing, notwithstanding that your knowledge of such opportunity is obtained independently of your relationship with the Company.

Notwithstanding the foregoing, Acronis Inc. Ltd. renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, business opportunities, that are from time to time presented to any independent director, or any director of Acronis Inc. Ltd. appointed by the holders of Series A Preferred Shares (or class A common shares issued upon conversion of the Series A Preferred Shares), of Acronis Inc. Ltd., even if the opportunity is one that the Acronis Inc. Ltd. might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so and no such person shall be liable to the Company for breach of any fiduciary or other duty as a director or officer, by reason of the fact that such person pursues or acquires such business opportunity, directs such business opportunity to another person or fails to present such business opportunity to the Company unless such business opportunity is offered to such director in writing in his or her capacity as a director of Acronis Inc. Ltd.. Nothing contained herein will abridge, reduce or modify such directors’ fiduciary duties under applicable Bermuda law.

9. Unauthorized Use of Company Property or Services

You may only use Company Property for legitimate business purposes. However the email system, voicemail system and access to the internet are assets of the Company that may be available for your limited and reasonable personal use, so long as such use does not violate any Company policies or procedures and does not interfere with the performance of your job or any Company system. Refer to the Employee Handbook for further detail about the personal use of such Company assets. You may not use or remove from Company premises any Company property for any personal benefit or the personal benefit of someone else. The Company realizes that sometimes the line between

personal and Company benefits is difficult to draw, and sometimes there are both personal and Company benefits in certain activities. Examples include articles of a technical nature that may enhance the stature or reputation of the author and also may have some benefit to the Company, and employee participation in continuing education programs. You must obtain permission from your supervisor in advance of any use of Company property or services that is not solely for the benefit of the Company.

10. Fair Competition

The Company intends to succeed in the marketplace through superior performance, not by unethical or manipulative practices. You must treat customers and suppliers honestly and fairly. Do not make false or misleading remarks about the Company's products and services including to customers or suppliers, or about the products and services of third parties including those products or services offered by competitors of the Company. You may state truthful descriptions of specifications and shortcomings of such products and services.

11. Antitrust

The economies of the United States and of most countries in which the Company does business are based on the principle that competition and profit will produce high quality goods at fair prices. Most countries, including the US, have laws prohibiting certain business practices that could inhibit effective competition. Whether termed antitrust, competition or free trade laws, the rules are designed to keep the marketplace thriving and competitive. These anti-trust laws are broad and far-reaching, and touch upon and affect virtually all aspects of the Company's operations.

The antitrust laws generally prohibit agreements that restrict competition and include agreement between competitors as to pricing, bidding, production, supply and customer practices. These laws also apply to various forms of unfair conduct that may tend to create a monopoly.

The Company supports these laws not only because they are the law, but also because it believes in the free market and the idea that healthy competition is essential to its long term success. As such, you should avoid conduct that violates or may violate these laws. In all cases where there is a question or doubt about a particular activity or practice, you should contact the Company's General Counsel before taking any action that may fall within the scope of these laws.

12. Government Business

Special requirements often apply when contracting with any government body (including national, state, municipal or other similar government divisions in local jurisdictions). Because government officials are obligated to follow specific codes of conduct and laws, you must take special care in government procurement. Some of the key requirements for you to follow in doing business with a government are:

- Accurately representing which Company products are covered by government contracts.
- Not offering or accepting kickbacks, bribes, gifts, gratuities or anything else of value with intent of obtaining favorable treatment from the recipient (a gift that is customary in the business sector may be perceived as a bribe by a government official).
- Not improperly soliciting or obtaining confidential information, such as sealed competitor's bids, from government officials prior to the award of a contract.
- Hiring present and former government personnel may only occur in compliance with applicable laws and regulations (as well as consulting Human Resources).

13. Political Activity

You may not use corporate funds or other assets – including your work time, Company premises, or Company equipment – to make political contributions of any kind to any candidate, political party or in support of any referendum or initiative. This prohibition covers not only direct contributions but also indirect assistance or support of candidates or political parties through the purchase of tickets to special dinners or other fund-raising events, and the furnishing of any other goods, services or equipment to political parties and committees. Political contributions or activities by you on your own behalf and with your own money and on your own time are, of course, permissible. The Company will not reimburse you directly or indirectly for any political contribution or for the cost of attending any political event.

14. Environment, Health and Safety; Substance Abuse

The Company is committed to providing a work environment that strives to protect employee health and safety, as health and safety are important aspects of job performance. It is also the Company's policy to manage its business in a manner that is sensitive to the environment and conserves natural resources. You must learn and follow the safety procedures applicable to your job, and you must comply with all environmental, health and safety laws.

Furthermore, substance abuse poses serious health and safety risks not only to the abusers, but also to employees who work with them. Therefore, in furtherance of the above general policy, you may not possess any illegal drug or prescription drug (not issued to you and/or not being taken in the prescribed dose), or any alcohol product on Company premises or at Company-sanctioned events other than events for which the Company has arranged for or sanctioned the service of alcoholic beverages. Notwithstanding, at any Company event where alcoholic beverages are available you are also prohibited from consuming an amount of these beverages that would result in your impairment.

15. Fair Employment Practices; Non-Harassing Environment

The Company is committed to following fair employment practices that provide equal opportunities to all employees. The Company does not discriminate against or tolerate harassment of another person on the basis of his or her race, color, religion, disability, gender, national origin, sexual orientation, age, or other legally protected status. This applies to all business and employment-related activities.

16. Copyrights and Computer Software

You may sometimes need to use third-party copyrighted material to perform your job. It is the Company's policy to respect copyright laws. Therefore, before you may use such third-party material, appropriate authorization from the copyright holder must be obtained. The need for such permission may exist whether or not the end product containing third party material is used for personal use, Company use internally or other use.

You must observe the terms and conditions of any license agreements to which the Company is a party. In most cases, you do not have the right to make copies of software, except for backup purposes. This includes not only the substantial software programs the Company may license, but also the smaller, so-called "shrink-wrap" programs typically used for word processing, spreadsheets and data management.

You may not copy copyrighted intellectual property licensed to the Company or otherwise make use of property, other than on your Company computer in furtherance of Company business, and such use must be permitted under the copyright laws. It is against Company policy and it may be unlawful for you to copy, reproduce, scan, digitize, broadcast or modify third-party copyrighted material when preparing Company products or promotional materials, unless written consent from the copyright holder has been obtained prior to use. Improper use could subject both the Company and you to possible civil and criminal actions for copyright infringement. It is also against Company policy for you to use the Company's facilities for the purpose of making or distributing unauthorized copies of third-party materials for personal use or for use by others.

17. International Business

The Company observes the highest ethical standards in all of its business transactions – including those of foreign countries. You may not take any action in connection with any international transaction or any action in a foreign country that would be illegal or improper in the US. Furthermore, you are required to observe all applicable foreign laws to which you or the Company may be subject, including foreign tax laws, customs duties and regulation, drug testing, licensing, manufacturing and marketing laws, rules and regulations and currency restrictions. You should not take any actions that are intended to improperly circumvent the application of such laws. Some of the concerns raised by international businesses are as follows:

A. Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act prohibits the Company and you from, among other things, making an offer, payment, promise to pay or authorization of payment of any money, offer, gift, promise to give or authorization of giving anything of value to any foreign official, any foreign political party or official thereof or any candidate for political foreign office, or any other person such as a foreign agent or consultant, knowing that all or a portion of such money or thing of valued will be offered, given or promised, directly or indirectly, to any foreign official, any foreign political party or official thereof or any candidate for political foreign office, for the purpose of (i) influencing any act or decision of such foreign official in his/her official capacity (ii) inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official, or (iii) securing an improper advantage, or inducing such foreign official to use his or her influence with a foreign government or instrumentally thereof to affect or influence any act or decision of such government or instrumentally, in order to assist the Company in obtaining or retaining business for or with, or directing business to, any person.

If you are asked to make any such payment, you should consult with your supervisor and the Company's General Counsel immediately.

B. Anti-boycott Laws

US anti-boycott laws prohibit or severely restrict the Company from participating in boycotts against countries friendly to the US, and require the Company to report both legal and illegal boycott requests to the US government. If you are involved in selling the Company's products internationally, you must become familiar with the anti-boycott laws and observe their requirements. All requests to cooperate in a boycott or to provide information about the Company's business in connection with or related to a boycott must be reported immediately to the Company's General Counsel before responding to requests for information.

C. New Foreign Countries

The decision to expand the Company's distribution or to establish an operation in any other country, besides those in which it is already qualified to do business, may carry many important legal and tax implications. You must not undertake to expand the Company's operations into any country without prior consultation of the Company's Chief Executive and Chief Financial Officers.

D. Export Controls

In general, the export of certain items, technologies, software and services is regulated for reasons of national security, foreign policy, prevention of the spread of weapons of mass destruction and for competitive trade reasons. Prior written authorization (an "export license") will be required for any goods that the Company sells to a customer in a foreign country, if an exemption or exclusion is not available. The definition of "export" is quite broad and can include "deemed exports" (e.g., conversations of a technical nature with a

citizen of another country even though the conversation takes place entirely within the US, or tours of the Company's facilities where foreign visitors could obtain technical information).

If you have any question as to whether a situation involves an "export" within the meaning of the applicable export control laws, or as to the truth or accuracy of the information being furnished to the Company regarding the ultimate destination or use of the products the Company exports, you must contact your supervisor and the Company's General Counsel.

18. Audits

In some cases, the Company will monitor compliance with its policies by audits. These may be done by the Company's legal counsel or at the direction of the Company's management. You are required to cooperate fully with any such audits and to provide truthful and accurate responses to any request.

19. Reporting Violations; No Retaliation Policy

If you know of or suspect a violation of applicable laws or regulations, this Code of Conduct, or the Company's related policies, you must immediately report that information to your supervisor or to the Company's General Counsel. The Company will not tolerate any form of retaliation against an individual because he or she made a good-faith report, or assisted with or cooperated in an investigation of a report. The Company will also not tolerate any other form of retaliation that is prohibited by applicable law.

20. Monitoring, Auditing, Corrective Action and Discipline

As Company employees, you are responsible for cooperating with the Company's Code of Conduct monitoring and auditing activities. Any violation of this Code of Conduct will be taken very seriously. When a violation is identified, prompt and appropriate corrective action will be taken to respond to the violation. This may include making appropriate notifications and implementing changes to prevent further similar violations. Failure to comply with the spirit as well as the letter of this Code of Conduct and to participate in related activities including monitoring and auditing activities and investigations will be considered in employment-related decisions. It also may result in disciplinary action, up to and including termination from employment. Discipline imposed may vary based on the nature, severity and frequency of the violation.

21. Waivers and Amendments

No waiver of any provisions of the Code of Conduct for the benefit of a director or an executive officer (which includes without limitation, for purposes of this Code of Conduct, the Company's principal executive, financial and accounting officers) shall be effective unless (i) approved by the Board of Directors or, if permitted, a committee thereof, and (ii) if applicable, such waiver is promptly disclosed to the Company's shareholders.

Any waivers of the Code of Conduct for other employees may be made by the principal executive, financial and accounting officers, the Board of Directors or, if permitted, a committee thereof.

All amendments to the Code of Conduct must be approved by the Board of Directors or, if permitted, a committee thereof.