



Insider Trading Policy

The Company's Policy



Any employee, officer or director who has material, non-public information may not:

- Trade in the securities of QLogic Corporation or our business partners
- Pass the inside information to others

Employees, officers and directors are responsible for ensuring compliance with this policy by their family and personal household members.

An employee, officer or director of QLogic Corporation (the "Company") who possesses material, non-public information (which is described below) about the Company may not trade in securities of the Company. This policy also prohibits an employee, officer or director from trading in the securities of any other public corporation with which the Company has a business relationship, including but not limited to customers and suppliers (collectively, "business partners"), if the employee, officer or director has material non-public information relating to our business partner. Employees, officers and directors must not pass on to others inside information about the Company or recommend the purchase or sale of securities while in possession of material non-public information (even if the information itself is not disclosed). This policy applies whether or not the employee, officer or director who gives the tip derives any personal benefit in doing so.

A QLogic employee passes on inside information about QLogic to a friend who, in turn, makes a profitable trade based on this information. The employee, however, does not make money or otherwise derive any benefit from the trade. *Has the Company's insider trading policy been violated?*

Yes. The insider trading policy applies whether or not the employee, officer or director who provides the tip derives any personal benefit in doing so.

It does not matter whether the inside information was obtained in the course of employment or service as a director, or by any other incidental means. Employees, officers and directors are responsible for ensuring compliance with this policy by their family and personal household members. It also does not matter if there is an independent, justifiable reason for a purchase or sale -- if the employee, officer or director has material, non-public information, the policy applies.

Information is **material** if a reasonable investor would consider it important in making a decision to buy, sell or retain stock. Both positive and negative information may be material.

Information that is likely to affect the market price of a security is almost always material, and it is important to recognize that what occurs will be viewed with the benefit of hindsight.

Examples of material information include but are not limited to:

Information is **non-public** if:

- It has not been disclosed to the general public or
- If insufficient time has elapsed after such public disclosure to permit the investment market to



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<ul style="list-style-type: none">• News of a pending or proposed merger, acquisition or tender offer• News of a significant sale of assets or the disposition of a subsidiary• Changes in dividend policies or the declaration of a stock split or the offering of additional securities• Changes in estimates of revenue or earnings• Changes in management• Significant new products or discoveries• Impending award or loss of significant contracts or business• Bankruptcy or financial liquidity problems• Gain or loss of a substantial customer	<p>absorb and evaluate the information.</p> <p><i>This is usually two business days after the material information has been publicly disclosed.</i></p>
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All trades in the Company's securities are prohibited during blackout periods, except in one specific case that requires pre-authorization by the General Counsel

All trades in the Company's securities are prohibited when the Company's trading window is closed ("blackout periods"), except trades pursuant to a qualified 10b5-1 plan authorized by the General Counsel. These blackout periods commence 14 days prior to the end of each of the Company's four fiscal quarters and end two full business days after the Company's quarterly or annual results have been released to the public.

The Company's policy does not preclude you from purchasing shares under the Company's employee stock purchase plan or from exercising stock options; however, the sale of those shares would be subject to the Company's policy outlined above, including the blackout periods. The Company's policy does not preclude an officer or director from selling Company securities pursuant to a 10b5-1 plan adopted by the officer or director at a time when the officer or director was not in possession of material inside information and otherwise satisfying the 10b5-1 requirements and the Company's requirements with respect to such plans.

The Company's Chief Financial Officer may determine other periods of time during which the blackout period may be imposed and will notify employees, officers and directors as is necessary in the circumstances. However, it is ultimately the responsibility of each employee, officer or director to confirm whether the trading window is open or closed prior to any purchase or sale of the Company's securities. It is strongly recommended that, prior to any purchase or sale of the Company's securities, the employee, officer or director confirms the status of the trading window by reviewing the Finance department page on the Company intranet site, and, in the case of executive officers and directors, obtaining the approval of the Company's Chief Financial Officer or General Counsel.



Employees, officers and directors may not engage in any transactions in the Company's securities until at least two full business days after the public release of material information.



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It is also the policy of the Company that, if the Company makes a public announcement of material information (including earnings releases), employees, officers and directors may not engage in any transactions in the Company's securities until at least two full business days after the information has been released. This policy is intended to give the Company's stockholders and the investing public time to receive the information and act on it. The Company may change the procedures outlined in this policy or adopt other procedures or policies in the future, as the Company considers appropriate.

The Law



It is illegal for any employee, officer, director or their family member to trade on the basis of material inside information about the Company, its vendors, or its customers. In addition, it is illegal to provide such information to others (tipping).

It is illegal for any employee, officer or director to trade in the securities of the Company while in possession of material inside (non-public, confidential) information about the Company, or to provide such information to others (tipping) who may trade in the Company's securities on the basis of that information. There are both federal and state laws that make it illegal to trade on material inside information.

It is also illegal for any employee to trade in the securities of any other public company on the basis of material inside information.

The term trading covers all types of buying or selling of securities, including but not limited to short sales or broker transactions. These laws and regulations prohibiting insider trading apply not only to employees, officers and directors, but also to family members over whose investing activities the employee, officer or director exercises control (e.g. spouses, minor children, etc.).

The spouse of a QLogic employee makes a trade in Company stock in the spouse's personal (vs. joint) brokerage account based on the employee's knowledge of material, non-public information. *Has the employee violated the Company's insider trading policy?*

Yes. Employees, officers and directors are responsible for ensuring compliance with this policy by their family and personal household members.

Financial information is particularly sensitive. For example, non-public information concerning the results of the Company's operations for even a portion of the current fiscal quarter might be material in helping an analyst predict the Company's results of operations for the quarter.

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The Consequences



Individuals who violate insider trading laws:

- Must repay any profits gained (or losses avoided) from use of inside information
- Are subject to significant civil penalties and imprisonment
- Can be barred from serving as officers and directors of public companies
- Suffer enormous and irreparable damage to their personal and professional reputation
- Will be subject to disciplinary action, which may include dismissal for cause

The consequences of violating the insider trading laws can be serious. Individuals who trade on inside information (or tip inside information to others) must repay any profits gained (or losses avoided) from use of the inside information. Additionally, such persons are subject to, among other things, significant civil penalties and imprisonment. Violators can be barred from serving as officers and directors of public companies. In addition, convicted individuals suffer enormous and irreparable damage to their personal and professional reputation. The Company can be subject to fines and litigation from stockholders in connection with violations of insider trading laws. Directors and officers of the Company also can be subject to additional significant civil and criminal penalties and private lawsuits in connection with such violations. Please note that trading patterns are closely monitored, and the Company cooperates fully with government investigations of potential illicit trading.

Compliance with this insider trading policy is a condition of continued employment with the Company. Any employee, officer or director who violates the Company's insider trading policy will also be subject to disciplinary action imposed by the Company, which may include dismissal for cause. The Company's policy prohibits you from (i) trading in securities of the Company or a business partner in violation of applicable state or federal securities laws and (ii) trading in securities of the Company during the blackout periods. A violation of the Company's policy is not necessarily the same as a violation of law. The Company reserves the right to determine, in its own discretion and on the basis of the information available to it, whether its policy has been violated. The Company may determine that specific conduct violates its policy whether or not the conduct also violates the law. It is not necessary for the Company to wait for the filing or conclusion of a civil or criminal action against the alleged violator before taking disciplinary action under this policy.

QLogic employee buys stock of one of its publicly-traded customers after learning that the customer is about to announce the launch of a significant new product offering. *Has the employee violated the Company's insider trading policy?*

Yes. The Company's policy prohibits an employee, officer or director from trading in the securities of any other public corporation with which the Company has a business relationship if the employee, officer or director has material non-public information relating to our business partner.



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Margin Accounts and Collateral



Employees, officers and directors should not hold Company securities in a margin account or pledge Company securities as collateral for a loan unless they have adequate financial resources to prevent a forced sale

QLogic Corporation discourages employees, officers and directors from holding the Company's securities in a margin account. A margin account grants the broker authority to sell securities to cover any amounts owed. Accordingly, a forced sale could occur at a time when the individual has knowledge of material, nonpublic information about the Company. A similar result is possible when Company securities are used as collateral for a loan. Therefore, employees, officers and directors should not hold Company securities in a margin account or pledge Company securities as collateral for a loan unless they have adequate financial resources to prevent a forced sale.

A QLogic employee holds Company securities in a margin account. The employee's broker sells securities to cover amounts owed at a time when the employee happens to have knowledge of material, nonpublic information about the Company. *Has the employee violated the Company's insider trading policy?*

Yes. It does not matter if there is an independent, justifiable reason for a purchase or sale of Company securities -- if the employee, officer or director has material, non-public information, the policy applies.

Additional Prohibited Activities

In addition to the above restrictions, employees, officers and directors should not engage in any of the following activities with respect to the securities of the Company:

1. Purchases on margin (where money is borrowed to make the purchase);
2. Short sales;
3. Buying or selling puts or calls; or
4. Hedging or monetization transactions, such as zero-cost collars and forward sale contracts, that allow an employee to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential upside appreciation in the stock.

Additional Requirements for Directors and Officers

This policy addresses insider trading under SEC Rule 10b-5 and related provisions of state and federal securities laws. It does not address issues concerning compliance with officer and director short-swing trading under Section 16(b), trading of private or control securities under Rule 144 or reporting obligations of officers and directors under Section 16(a). For additional information regarding these requirements, please contact the General Counsel.



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Compliance Certificate

Employees, officers and directors will be required to certify their understanding of, and agreement to comply with, the Company's insider trading policy as set forth herein. This agreement will constitute consent for the Company to issue any necessary stop-transfer orders to enforce compliance with this policy. The Company may require employees, officers and directors to re-certify compliance with this policy on a periodic basis.

Further Assistance

Any person who has a question regarding the Company's insider trading policy may obtain additional information from the Company's Chief Financial Officer or General Counsel.