

STATEMENT OF POLICY ON INSIDER TRADING AND POLICY REGARDING SPECIAL  
TRADING PROCEDURES

CYTODYN INC.

Two copies of this Statement of Policy on Insider Trading and Policy Regarding Special Trading Procedures are being provided to you. You should read this Policy on Insider Trading, address questions to Arian Colachis, General Counsel (hereinafter referred to as the “Compliance Officer”) of CytoDyn Inc. and return one signed copy to:

Arian Colachis  
CytoDyn Inc.  
1111 Main Street, Suite 660  
Vancouver, Washington 98660

## Policy on Insider Trading

CytoDyn Inc. (“CytoDyn”) has adopted a Policy on Insider Trading that applies to each officer, director and employee of CytoDyn. A statement regarding such policy is distributed to all officers, directors and employees. It is CytoDyn’s policy that no director, officer or other employee (or any other person designated by this Policy on Insider Trading or by the Compliance Officer) who is aware of material nonpublic information related to CytoDyn may, directly, or indirectly through family members or other persons or entities:

- (i) engage in transactions in the securities of CytoDyn (except as otherwise expressly provided in this Policy on Insider Trading);
- (ii) recommend that any other person engage in transactions in the securities of CytoDyn;
- (iii) disclose material nonpublic information to persons within CytoDyn whose jobs do not require them to have that information or to persons outside of CytoDyn, including, but not limited to, family, friends, business associates, investors and expert consulting firms, unless such disclosure is made in accordance with CytoDyn’s policies regarding the protection or authorized external disclosure of information regarding CytoDyn; or
- (iv) assist anyone engaged in the above activities.

In addition, it is the policy of CytoDyn that no director, officer or other employee (or any other person designated as subject to this Policy on Insider Trading) who, in the course of working for CytoDyn, learns of material nonpublic information about a company with which CytoDyn does business, including a customer or supplier of CytoDyn, may trade in that company’s securities until the information becomes public or is no longer material.

The general Policy on Insider Trading applies to all directors, officers and employees of CytoDyn, its subsidiaries and affiliates and the Policy Regarding Special Trading Procedures applies to all directors, officers and employees designated on Appendix A (“Designated Employees”) of CytoDyn, its subsidiaries and affiliates. You must read, sign and retain this Policy on Insider Trading statement and, upon request by CytoDyn, re-acknowledge it.

Discussion: What is “Insider Trading”?

Insider trading is, in addition to being a violation of this Policy on Insider Trading, a violation of securities laws.

The term “insider trading” generally is used to refer to the use of material, nonpublic information to trade in securities or to communications of material, nonpublic information to others who may trade on the basis of such information.

While the law concerning insider trading is not static, it is generally understood the law prohibits insiders of CytoDyn from doing the following:

(1) trading in CytoDyn securities while in possession of material, nonpublic information concerning CytoDyn;

(2) having others trade on the insider's behalf while he or she is in possession of material, nonpublic information; and

(3) communicating nonpublic information concerning CytoDyn to others who may then trade in CytoDyn securities or pass on the information to others who may trade in CytoDyn securities. Such conduct, also known as "tipping," results in liability for the insider of CytoDyn who communicated such information, even if such insider does not actually trade himself, and for the person who received the information if the person has reason to know it was an improper disclosure and acts on such information or passes it on to others who may act on it.

The elements of insider trading and the potential penalties for such unlawful conduct are discussed herein.

### 1. Who is an Insider?

The concept of "insider" generally includes any person who possesses nonpublic information about CytoDyn and who has a duty to CytoDyn to keep this information confidential. This Policy on Insider Trading applies to all directors, officers and employees of CytoDyn, its subsidiaries and its affiliates. In addition, CytoDyn may determine other persons should be subject to this Policy on Insider Trading, such as service providers, contractors or consultants who have access to material nonpublic information in connection with such service. Outsiders who could be subject to this Policy on Insider Trading include, among others, CytoDyn's attorneys, accountants, consultants, advisory board members, investment bankers and the employees of such organizations.

This Policy on Insider Trading also applies to family members who reside with you (including a spouse, child, child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household, and any family members whose transactions in CytoDyn securities are directed by you or are subject to your influence or control (collectively referred to as "family members"). This Policy on Insider Trading further applies to any entities you influence or control, including any corporations, partnerships, or trusts (collectively referred to as "controlled entities").

### 2. What is Material Information?

"Material Information" generally is defined as information for which there is a substantial likelihood a reasonable investor would consider such information important in making his or her investment decisions, or information that could be reasonably expected to affect the price of a company's securities, whether it is positive or negative. It is important to remember materiality will always be judged with the benefit of hindsight.

Although there is no precise definition of materiality, information is likely to be "material" if it relates to:

- earnings or sales results or expectations for the quarter or the year;

- forecasts or projections of future earnings or losses, or other earnings guidance;
- changes to previously announced earnings guidance, or the decision to suspend earnings guidance;
- significant new products or product development milestones (such as major clinical trial results, FDA approvals or disapprovals, or other actions);
- the initiation or termination of a material litigation matter or government investigation;
- changes in dividends, the declaration of a stock split, or an offering of additional securities;
- proposals or agreements involving a merger, acquisition, tender offer, joint venture, divestiture or leveraged buy-out;
- proposals or agreements involving research and development collaborations or licensing agreements;
- changes in relationships with major collaborators, or obtaining or losing important contracts;
- bank borrowings or other financing transactions out of the ordinary course;
- major financing developments;
- major personnel changes;
- criminal indictments or material civil litigation or government investigations;
- significant disputes with major collaborators, manufacturers or suppliers;
- substantial change in accounting methods;
- debt service or liquidity problems;
- bankruptcy or insolvency;
- public offerings or private sales of debt or equity securities;
- calls, redemptions or repurchases of CytoDyn securities; and/or
- change in auditors or notification the auditor’s reports may no longer be relied upon.

“Inside” information could be material because of its expected effect on the price of CytoDyn securities, the securities of another company, or the securities of several companies. Moreover, the resulting prohibition against the misuse of “inside” information includes not only restrictions on trading in CytoDyn securities but restrictions on trading in the securities of other companies affected by the inside information.

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger, acquisition or introduction of a new product, the point at which negotiations or product development are determined to be material is determined by balancing the probability the event will occur against the magnitude of the effect the event would have on a company's operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. When in doubt about whether particular non-public information is material, presume it is material.

If you are unsure whether information is material, you should consult the Compliance Officer before making any decision to disclose such information (other than to persons who need to know it) or to trade in or recommend securities to which that information relates.

### 3. What is Nonpublic Information?

In order for information to qualify as “inside” information it must not only be “material,” it must be “nonpublic.” “Nonpublic” information is information which has not been made available to investors generally. This includes information received from sources or in circumstances indicating the information has not yet been generally circulated.

At such time as material, nonpublic information has been released to the investing public, it loses its status as “inside” information. However, for “nonpublic” information to become public information it must be disseminated through recognized channels of distribution designed to reach the securities marketplace or public disclosure documents filed with the Securities and Exchange Commission that are available on EDGAR, and sufficient time must pass for the information to become available in the market.

To show that “material” information is public, it is generally necessary to point to some fact verifying the information has become generally available, such as disclosure by filing of a Form 10-Q, Form 10-K, Form 8-K or other report with the Securities and Exchange Commission or disclosure by press release to a national business and financial wire service (such as Dow Jones or Reuters), a national news service, or a national newspaper (such as The Wall Street Journal). The circulation of rumors or “talk on the street,” even if accurate, widespread and reported in the media, does not constitute the requisite public disclosure.

Material, nonpublic information is not made public by selective dissemination. Material information improperly disclosed only to institutional investors or to a favored analyst or a group of analysts retains its status as “nonpublic” information, the use of which is subject to insider trading laws. Similarly, partial disclosure does not constitute public dissemination. So long as any material component of the “inside” information has yet to be publicly disclosed, the information is deemed “nonpublic” and may not be misused.

It is the policy of CytoDyn to not consider material information public until the second business day after appropriate public dissemination.

As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Compliance Officer or assume the information is "non-public" and treat it as confidential.

### 4. What Transactions Are Subject to this Policy?

This Policy on Insider Trading applies to all transactions in CytoDyn securities, including common stock, options to purchase common stock, preferred stock or any other securities CytoDyn may issue, as well as derivative securities that are not issued by CytoDyn, such as exchange-traded put or call options or swaps relating to CytoDyn securities.

This Policy on Insider Trading does not apply to the following transactions, except as specifically noted:

Stock Option Exercises. This Policy on Insider Trading does not apply to the exercise of any employee stock option acquired pursuant to CytoDyn’s equity plans, or to the exercise of a tax

withholding right pursuant to which a person has the right to have CytoDyn withhold shares subject to an option to satisfy tax withholding requirements. This Policy on Insider Trading does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price or tax due of an option.

Restricted Stock and Restricted Stock Unit Awards. This Policy on Insider Trading does not apply to the vesting of restricted stock or restricted stock units, or of a tax withholding right pursuant to which you elect to have CytoDyn withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock or restricted stock unit. This Policy on Insider Trading, however, does apply to any market sale of restricted stock.

Transactions with CytoDyn. This Policy on Insider Trading does not apply to the purchase of CytoDyn securities from CytoDyn or the sale of CytoDyn securities to CytoDyn.

## 5. What Are the Consequences of Violations of This Policy?

Penalties for the purchase or sale of securities, while aware of material nonpublic information, or communicating material, nonpublic information to others who then trade in such securities, are severe, both for the individuals involved in such unlawful conduct and, potentially, for 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 (i.e., if the violation was one for tipping information). Penalties include:

- substantial jail terms;
- disgorgement of profits;
- fines for the person who committed the violation of several times the profit gained or loss avoided, whether or not the person actually benefited;
- criminal fines;
- fines for the employer or other controlling person, such as a supervisor, of up to the greater of \$1,000,000 or three times the amount of the profit gained or loss avoided; and
- orders barring individual from serving as a director or officer of a public company.

In addition, a violation of this Policy on Insider Trading can be expected to result in serious sanctions by CytoDyn, which may include dismissal for cause of the person involved, whether or not the employee's failure to comply with this Policy on Insider Trading results in a violation of law.

### Policy Regarding Special Trading Procedures.

The following Policy Regarding Special Trading Procedures are applicable to all directors, officers and Designated Employees of CytoDyn, its subsidiaries and affiliates.

#### 1. Trading Windows and Pre-Clearance.

There are times when CytoDyn may be engaged in a material, nonpublic development. Although you may not know the specifics of the development, if you engaged in a trade before

such development was disclosed to the public or resolved you might expose yourself and CytoDyn to a charge of insider trading that could be costly and difficult to refute. In addition, a trade by you during such a development could result in significant adverse publicity for CytoDyn.

Therefore, except pursuant to paragraph 3 below, you, your family members and controlled entities may only purchase or sell securities of CytoDyn during the three or four “trading windows”<sup>1</sup> that occur each year and only after pre-clearing your intent to trade with CytoDyn’s Compliance Officer.<sup>2</sup>

The trading windows consist of the period that begins on the second business day after issuance of a press release or other announcement by CytoDyn disclosing quarterly or annual earnings through the date which is 14 days prior to the next quarter or fiscal year end. In accordance with the procedure for waivers described below, in special circumstances a waiver may be given to allow a trade to occur outside of a trading window.

If you intend to engage in a trade during a trading window you must first receive permission to engage in a trade from CytoDyn’s Compliance Officer.<sup>3</sup> CytoDyn’s Compliance Officer may refuse to permit any transaction if he/she determines it could give rise to a charge of insider trading. CytoDyn’s Compliance Officer may seek advice of outside counsel as he/she may consider appropriate.

After receiving permission to engage in a trade, you should either complete your trade within three business days or make a new trading request.

The exercise of options to purchase for cash and hold common stock of CytoDyn or the purchase from CytoDyn of common stock of CytoDyn is not subject to the Special Trading Procedures outlined above, but the shares so acquired may not be sold except during a trading window, after authorization from CytoDyn’s Compliance Officer has been received, and after all other requirements of this Policy Regarding Special Trading Procedures have been satisfied. Accordingly, the exercise of options and immediate sale of some or all of the shares through a broker is covered by these Special Trading Procedures.

## **2. Event-Specific Black-out Procedures.**

From time to time, an event may occur that is material to CytoDyn and is known by only a few directors or executives. So long as the event remains material and nonpublic, the persons who are aware of the event, as well as other persons covered by these Special Trading Procedures, may not trade in CytoDyn securities. The existence of an event-specific blackout will not be announced, other than it may be announced to those who are aware of the event giving rise to the blackout. If, however, a person whose trades are subject to pre-clearance requests permission to

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<sup>1</sup> Each year, there may be three or four trading windows depending on whether CytoDyn issues its press release or other announcement of annual earnings sufficiently in advance of the end of the first quarter to permit a trading window to open during the first quarter.

<sup>2</sup> CytoDyn’s Compliance Officer must pre-clear his or her intent to trade with CytoDyn’s Chief Executive Officer.

<sup>3</sup> If CytoDyn’s Compliance Officer will be absent from the office or unavailable for a significant period of time, he or she will designate another executive officer of CytoDyn to handle trading requests.

trade in CytoDyn securities during an event-specific blackout, CytoDyn 's Compliance Officer will inform the requesting person of the existence of a blackout period, without disclosing the reason for the blackout. Any person made aware of the existence of an event-specific blackout should not disclose the existence of the blackout to any other person. The failure of CytoDyn's Compliance Officer to designate a person as being subject to an event-specific blackout will not relieve that person of the obligation not to trade while aware of material nonpublic information.

### **3. Rule 10b5-1 Plans.**

The Securities and Exchange Commission has established regulations under which individuals may purchase and sell securities in compliance with "insider trading" laws (more specifically, Rule 10b5-1 of the Securities Exchange Act of 1934) if such purchases or sales are made pursuant to (i) a binding contract to purchase or sell the security, (ii) instructions provided to a third person to execute the trade for the instructing person or entity's account or (iii) an adopted written plan for trading securities; provided, that at the time of the decision to enter into such contract or plan or decision to provide such instructions, you were not aware of material, nonpublic information. In addition to other requirements set forth in such regulations, the contract, instructions or plan must (a) specify the amount, price and date of the purchase or sale or (b) provide a written formula or algorithm or computer program for determining the amounts, prices and dates of such purchases or sales.

Under CytoDyn's policy, you, your family members and your controlled entities may only enter into a contract or plan or provide instructions for the purchase or sale of securities of CytoDyn in compliance with these regulations after receiving written pre-clearance from CytoDyn's Compliance Officer. A copy of the Rule 10b5-1 Plan should be submitted for approval at least three days prior to the entry into the Rule 10b5-1 Plan.

### **4. Post-Trade Reporting.**

You are required to report to CytoDyn's Compliance Officer any transaction in securities of CytoDyn by you, your family members or controlled entities not later than the business day following the date of your transaction. Each report you make to CytoDyn's Compliance Officer should include the date of the transaction, quantity, price, and broker through which the transaction was effected. This reporting requirement may be satisfied by sending (or having your broker send) duplicate confirmations of trades to CytoDyn's Compliance Officer if such information is received by the required date.

The foregoing reporting requirement is designed to help monitor compliance with the Special Trading Procedures set forth herein and to enable CytoDyn to help those persons who are subject to reporting obligations under Section 16 of the Securities Exchange Act of 1934 to comply with such reporting obligations. Each officer and director, however, and not CytoDyn, is personally responsible for ensuring his or her transactions do not give rise to "short swing" liability under Section 16 and for filing timely reports of transactions with the Securities and Exchange Commission.

5. Compliance with CytoDyn’s Statement of Policy Regarding Special Trading Procedures.

Even if you receive preclearance and it is during a trading window, you, your family members and your controlled entities may not trade in securities of CytoDyn if you are in possession of material, nonpublic information about CytoDyn. The procedures set forth herein are in addition to the general insider trading policy and are not a substitute therefor.

Prohibited Transactions.

All directors, officers and Designated Employees, including any family members or controlled entities thereof, are prohibited from engaging in the following transactions in CytoDyn securities:

1. Short Sales. Neither you, your family members nor your controlled entities may sell any securities of CytoDyn that are not owned by such person at the time of the sale (a “short sale”) including a “sale against the box” (a sale with delayed delivery).

2. Standardized Options. An “option” is the right either to buy or sell a specified amount or value of a particular underlying interest at a fixed exercise price by exercising the option before its specified expiration date. An option which gives a right to buy is a “call” option, and an option which gives a right to sell is a “put” option. Standardized options (which are so labeled as a result of their standardized terms) offer the opportunity to invest using substantial leverage and therefore lend themselves to significant potential for abusive trading on material inside information. Standardized options also expire soon after issuance and thus necessarily involve short-term speculation, even where the date of expiration of the option makes the option exempt from certain Securities and Exchange Commission restrictions. The writing of a call or the acquisition of a put also involves a “bet against the company” and therefore presents a clear conflict of interest for you. As a result, neither you, your family members nor any controlled entities may trade in standardized options relating to CytoDyn securities at any time.

3. Hedging Transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow “insiders” to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow “insiders” to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the “insiders” may no longer have the same objectives as CytoDyn’s other shareholders. Therefore, neither you, your family members nor any controlled entities may engage in any such transactions.

4. Margin Accounts and Pledges. Securities held in a margin account may be sold by the broker without the customer’s consent if the customer fails to meet a margin call. Similarly, securities pledged or hypothecated as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. Because a margin sale or foreclosure sale may occur at a time when you are aware of material nonpublic information or otherwise are not permitted to trade in CytoDyn securities, neither you, your family members nor your controlled entities may hold CytoDyn securities in a margin account or pledge CytoDyn securities as collateral for a loan unless such transaction has been pre-approved by CytoDyn’s Compliance Officer.

#### Post-Termination Transactions.

This Policy Regarding Special Trading Procedures continues to apply to transactions by a director, officer or an employee in CytoDyn securities even after the officer or employee is terminated or the director resigns or is removed from the Board. If a director, officer or employee is aware of material, non-public information when such individual's employment or service relationship terminates, such individual may not trade in CytoDyn securities until that information has become public or is no longer material.

#### Reporting of Violations.

If an employee knows or has reason to believe this Policy on Insider Trading has been or may be violated, the employee should bring the actual or potential violation to the attention of CytoDyn's Compliance Officer.

#### Modifications and Waivers.

CytoDyn reserves the right to amend or modify the procedures set forth herein at any time. Waiver of any provision of this Policy on Insider Trading in a specific instance may be authorized in writing by CytoDyn's Compliance Officer.

ACKNOWLEDGMENT AND CERTIFICATION

The undersigned does hereby acknowledge receipt of the Policy on Insider Trading. The undersigned has read and understands (or has had explained) such Policy on Insider Trading and agrees to be governed by such Policy on Insider Trading at all times in connection with the purchase and sale of securities and the confidentiality of non-public information.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Please print name)

Date: \_\_\_\_\_

This document states a policy of CytoDyn Inc. and is not intended to be regarded as the rendering of legal advice. This policy statement is intended to promote compliance with existing law and is not intended to create or impose liability that would not exist in the absence of the policy statement.