



**TERADYNE'S
CODE OF CONDUCT
MAKING THE RIGHT CHOICES**

TERADYNE

Dear Members of the Teradyne Community

Teradyne's Code of Conduct reflects our commitment to honest and ethical business practices. The Code provides standards and guidelines of conduct for all Teradyne employees, officers and directors, and for others doing business with the Company, such as customers and suppliers. Teradyne, like all businesses that are successful over a long term, is built on a foundation of honesty and integrity. This principle has guided us throughout our history and we remain committed to it. We want to do the right thing, both because it is right and because it makes good business sense. This means we all must act honestly and with integrity in all of our dealings.

Use these guidelines as a resource to help you make better decisions as you face difficult issues. Of course, these guidelines cannot cover every situation and, when in doubt, you should seek advice from others in the company and, as always, continue to apply common sense.

Any person who feels that our conduct does not meet these guidelines should contact their manager, any other manager, corporate officer, or member of the Human Resources or Legal Departments. You also may provide information on a confidential basis to the Legal Department at the following address:

Teradyne, Inc.
Legal Department
600 Riverpark Drive
North Reading, MA 01864

Confidential Hotline: 1-866-388-1288
<http://www.openboard.info/TER>

Remember, integrity and ethical behavior are hallmarks of Teradyne's corporate culture and business conduct. They are vital to our continued success and growth. Ultimately, we must all assume personal responsibility for ensuring that the Company's practices, and our well founded reputation for integrity and ethical behavior, remain intact.



A handwritten signature in blue ink that reads "Mark Jagiela". The signature is written in a cursive, flowing style.

Mark Jagiela
CEO and President

TERADYNE'S CODE OF CONDUCT MAKING THE RIGHT CHOICES



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The Company expects Teradyne to be the primary focus of your business and professional endeavors. The Company expects you to use good judgment in responding to the variety of situations that may arise in the course of your employment or affiliation with Teradyne and that in all instances you will comply with applicable laws.

CONFLICT OF INTEREST SITUATIONS

You must avoid situations where your loyalties may be divided between Teradyne's interests and your own. You must also consider how the situation appears to others — inside and outside of Teradyne. A conflict of interest occurs when your personal interest is at odds with the interests of Teradyne. A conflict of interest can arise whenever you take action or have an interest that prevents you from performing your Teradyne duties and responsibilities honestly, objectively and effectively. Whenever you recognize a potential conflict, it is important to discuss the situation with your manager or Teradyne's Legal Department prior to taking any action. Officers must disclose any actual or apparent conflict to Teradyne's General Counsel and directors must disclose any actual or apparent conflict to Teradyne's Audit Committee. The following sections discuss some situations where a conflict of interest may arise.

Outside Business Ventures

At Teradyne you may not work for or receive payment for services from any competitor, supplier, customer or distributor of Teradyne unless it is approved in advance by your manager. Any outside activity must be strictly separated from Teradyne employment and should not impact your job performance at Teradyne.

Financial Interests in Other Companies

Teradyne employees must not have, or permit any close relative to have, a financial interest in a customer, supplier, competitor, distributor or other organization that would create a conflict of interest or compromise your loyalty to Teradyne.

Whether an investment in these other companies creates the appearance of divided loyalties depends on several factors, such as (1) the size of the investment relative to your total assets; (2) the position you hold with Teradyne and your ability to influence Teradyne decisions that affect your personal interests; and (3) any work you do at or for Teradyne that intersects with that investment. The best practice is to consider these factors, use good judgment and ask your manager or Teradyne's Legal Department if you have questions. Conflict-of-interest standards also apply to you with respect to your family and close personal friends.

Bribery

Offering or accepting a bribe is against Teradyne's policies and is illegal. You should not solicit or accept any cash gift. If a customer or supplier gives you cash, return the cash and promptly inform your manager or Teradyne's Legal Department.

Protecting Teradyne

Additionally, any payment or gift that is given or promised, directly or indirectly, to a US or foreign governmental official designed to influence that person's acts or decisions is improper and could subject you and Teradyne to substantial criminal liability for violation of US and foreign laws. It is improper and illegal for you or Teradyne, to directly or indirectly provide or pay for any meal, travel, entertainment or lodging of any US or foreign governmental personnel with the intent of influencing government personnel. Giving anything of value to government personnel could subject both you and Teradyne to civil and criminal penalties.

You must review and understand the restrictions when dealing, directly or indirectly, with US or foreign governments. More information about dealing with governments is available on the Legal Department's Internal Website.

If you become aware of or suspect any questionable business practices, you should immediately contact your manager, any other manager or corporate officer, or a member of the Human Resources or Legal Department.

PROTECTION AND PROPER USE OF COMPANY ASSETS

You should seek to protect the Company's assets. You must use the Company's assets for legitimate business purposes and not for any personal benefit or the personal benefit of anyone else.

Company Information

Information is one of Teradyne's most valuable assets. Given our open environment, and the increasing use of electronic communications, we are each regularly in possession of valuable company information as we perform our normal day-to-day jobs. We all have a responsibility to safeguard company information and prevent it from being inappropriately disclosed or used.

You must not disclose any confidential information regarding Teradyne's business, technology, know-how, financial performance or prospects, customers, suppliers, employees, or activities to any person unless that person's responsibilities at Teradyne create a need to know it. This obligation extends to intellectual property and trade secrets, including confidential or private technical, financial, and business information generated by us or received from others in the Teradyne community. It also includes confidential information entrusted to us by customers, suppliers and other third parties. We have the same duty to safeguard their confidential information that we have concerning Teradyne's confidential information.

You also must observe government rules and regulations relating to the safeguarding of classified information obtained through work between Teradyne and the government.

Company Property

All Teradyne related documents in tangible or electronic form in your possession or control, no matter where they are located, are company property. You are not allowed to use such documents for your own benefit or provide them to others for use unrelated to company business,

during and after your employment or affiliation with the Company. Any taking, downloading or other prohibited use or disclosure of Teradyne documents constitutes theft of Teradyne property and also may be a misappropriation of Teradyne's trade secrets.

Intellectual Property

Intellectual property, such as inventions and ideas, represent valuable assets of the company and should be treated as confidential. It is important to identify and protect these assets to ensure a competitive advantage exists for Teradyne products and services. You should report inventions, innovations and patentable ideas relating to any Teradyne business immediately to your manager and the Company's Legal Department. Invention disclosure forms are available from the Legal Department or on the Legal Department's Internal Website. Teradyne respects the intellectual property rights of others and expects others to respect our intellectual property rights at all times. If you suspect an infringement, misuse or misappropriation of a Teradyne or third party intellectual property right, you should immediately contact the Legal Department.

Charitable and Political Contributions

Teradyne sometimes makes contributions to civic and charitable organizations. Suggestions for such contributions may be sent to your division manager or to the Vice President of Corporate Relations.

Teradyne funds or assets may not be used for political contributions. No one at the Company is authorized to solicit or require any political contribution. Personal political contributions are not reimbursed by Teradyne.

COMPLIANCE WITH LAWS

All members of the Teradyne community, including employees, officers, directors and others doing business with Teradyne, such as customers and vendors, are expected to comply with all applicable laws, rules and regulations and to use good judgment and common sense in doing so. You should ask for advice prior to taking any action if you are uncertain about what to do.

If you become aware of a violation of any law, rule or regulation by Teradyne or a member of the Teradyne community in their business conduct, you should promptly report the matter to your manager or to Teradyne's Legal Department. The Company will not discharge, demote, suspend, threaten, harass, discriminate or retaliate against anyone, who in good faith, reports a suspected violation.

Trade Compliance

Teradyne is an international company with a global supply chain and customer base. Failure to comply with governmental import and export laws and regulations could seriously impact Teradyne's ability to serve its customers, disrupt its supply chain and result in financial and criminal penalties. If you are involved with the import or export of materials or technologies, you must be familiar with the relevant laws and regulations and comply with them. Import and export laws can be complex, so when in doubt, seek expertise within your group, or contact Teradyne's Legal Department for assistance.

In the Workplace

HUMAN RIGHTS

Teradyne is committed to support and respect the protection of human rights and ensure that our business partners and suppliers do the same. Teradyne does not permit child labor, prison or forced labor and physical punishment in any operation of Teradyne or our business partners and suppliers.

ENVIRONMENTAL, HEALTH AND SAFETY

Teradyne is committed to promoting, creating, and maintaining a safe and healthy workplace and to improving the environmental quality of our operations and surrounding communities. This effort begins with providing a safe physical plant and a working environment that promotes hazard-free working conditions. It also includes a commitment to minimize the environmental impact of our operations, products and services where possible.

We are committed to taking appropriate precautions to prevent injury and illness in the workplace and to providing safeguards, training and information on potential risks, including those involved in handling hazardous chemicals. Teradyne's Environmental Safety and Compliance Group provides support and assistance in this area to help prevent injuries and ensure a safe workplace environment.

Teradyne products are designed and manufactured to be safe through the use of appropriate safeguards, warning labels, and documentation as required by Teradyne Product Safety Guidelines. Our Product Safety Group is a resource for safety issues concerning our products.

We all share the responsibility for maintaining a safe workplace. For many employees this involves making decisions involving environmental, health and safety issues every day. These decisions should be made with full knowledge of and compliance with all environmental, health and safety laws and regulations. You should report any unsafe conditions and any environmental, health or safety issues or concerns to your manager or your local safety committee.

SUPERVISING RELATIVES OR FRIENDS

Supervisors make decisions regarding opportunities for advancement, working conditions, or other matters affecting the employees who report to them. For that reason, Teradyne prohibits employees from directly supervising a relative or someone with whom they have a close personal relationship.

EQUAL EMPLOYMENT OPPORTUNITY

Teradyne will not discriminate in the employment of any person due to race, religion, color, sex, national origin, age, disability, veteran status, military service or application for military service, sexual orientation or any other category protected under applicable federal, state or foreign law. This applies to all personnel actions including hiring, promotions, terminations, transfers, compensation, and benefits. Equal opportunities are provided for all employees, and all employees are encouraged to advance within the company.

INAPPROPRIATE WORKPLACE CONDUCT

All members of the Teradyne community are expected to treat each other with dignity and respect. We recognize that disagreements arise in daily dealings with others. Most of those disagreements can be and are handled appropriately and without incident. However, there are certain acts of misconduct that the Company simply will not tolerate, such as: any type of harassment, discrimination, physical violence, unlawful actions, retaliation against co-workers, theft, gambling, and working under the influence of alcoholic beverages or illegal drugs. Such conduct may result in disciplinary action including immediate termination.

Teradyne expects employees to conduct themselves as mature, responsible, and respectful individuals in all their dealings with co-workers. Maintaining a safe and productive workplace is a shared responsibility for all employees.



In the Workplace

SOCIAL NETWORKING

Activity on social networks is subject to Teradyne's Code of Conduct as well as Teradyne's policies. Employees who engage in social networking should refrain from disclosing any confidential information about the Company, its employees, customers and suppliers in their posts, comments and blog entries or other social networking environment. You also should never disparage any employee or other person in a public forum or social networking site. The Company will hold you responsible for your posts. More information, including social networking guidelines, is available on the Legal Department's Internal Website.

USE OF ELECTRONIC COMMUNICATIONS RESOURCES

Teradyne provides employees tools and equipment to be used as resources in doing their jobs. Equipment such as telephones, networked computers, and Internet access lines are capable of being used for personal phone calls, e-mails, etc. Reasonable personal use is permitted on a limited basis, but the

equipment and access lines remain the property of Teradyne and should be used primarily for Teradyne business. Information residing in the equipment or on the network is also the property of Teradyne and accordingly, Teradyne retains the right to access, monitor, search, review or block any files, emails, Internet usage, information and messages on these resources at any time, for any business purpose and without prior notice.

You should have no expectation of privacy in any information stored on or sent via Teradyne's computer networks. You must not assume the information that you send over computer networks is private or confidential. Also, Teradyne equipment is subject to standard maintenance and audits, such as automatic monitoring of Internet usage, as well as reasonable cause searches without notice.

Teradyne does not allow improper or inappropriate use of Teradyne information resources. Use is inappropriate, for example, when it detracts from your job performance or ties up excessive bandwidth or data storage. Use is improper when it contains or constitutes harassing, abusive, graphic, obscene or illegal materials or behavior, such as accessing pornography, circulating hate mail,

attempting to gain unauthorized access to a Teradyne system, network or database or downloading copyrighted music, movies or other works without permission of the copyright owner.

DATA PRIVACY

As part of your employment, you may acquire or possess personal information of other employees and their families or employees of our customers or suppliers. Personal information includes social security numbers, passport or identification numbers, financial history, account or credit card information, medical and health information, personal background such as race, ethnicity, religion or sexual orientation. You must take steps to protect personal information while it is in your possession and use personal information solely for legitimate business purposes. If you possess personal information, keep only the information that is needed, only as long as it is needed, and share it only with those who need it. More information, including our data privacy guidelines, is available on the Legal Department's Internal Website.



With Customers

RELATIONSHIP WITH CUSTOMERS

It is Teradyne's policy to treat our customers in an open and honest manner. In our relationship with customers, there are certain business practices that are prohibited:

1. You may not agree with a competitor to fix prices to customers, divide up customers or refuse to do business with a customer.
2. Some of our customers are also suppliers or potential suppliers. The two relationships are distinct and should be treated independently. You may not hold the purchase of our products as a precondition of business for our suppliers.
3. You may not engage in "tie-in" agreements. A tie-in agreement is an arrangement in which a customer is required to buy unwanted products or services in order to obtain a unique, distinct or highly desirable product or service which the customer wants. You may offer our customers package pricing for groups or products and services that are purchased together, (unless one of the products cannot be bought separately and is highly desirable or unique), promotional pricing and other customary discounts and promotion offers in the ordinary course of business.
4. Improper methods of competition or deceptive practices are prohibited by U.S. and foreign laws. Examples of such practices are:
 - Marketing used equipment as new.
 - Making false or deceptive comparisons with other products.
 - Misrepresenting Teradyne's trademark or patent rights.

This list does not include all the practices that would be deemed improper, but it should give you a general sense of the concerns in this area.

GIFTS AND ENTERTAINMENT WITH CUSTOMERS

It is permissible to give a customer a gift of nominal value on special occasions, as long as the gift does not seek, and does not create the appearance of seeking, special favors. You should give only those gifts that are nominal in value (such as a bottle of wine or gift basket) or that are more in the nature of advertising (calendars or coffee cups, for example). The giving of any gift to a customer must also comply with the customer's code of conduct. In rare circumstances, local custom may call for an exchange of gifts having more than nominal value. Giving such gifts should be done only on behalf of Teradyne and with prior approval from an officer of the Company.

Business meals, entertainment, sporting events and other meetings or events often serve a useful business purpose and strengthen the Company's relationship with its customers. Common sense and moderation should prevail in business entertainment engaged in on behalf of the Company. Unless prohibited by the customer's own policies, you may pay for a customer's

meal and entertainment or invite a customer to a sporting event or outing, provided the expenses of doing so are reasonable. Entertainment that is lavish or frequent could appear to influence a customer's business judgment. You must exercise good business judgment and make sure you do nothing that would compromise Teradyne, the customer or yourself.

DEALING WITH GOVERNMENT EMPLOYEES

Teradyne's standards for business integrity are no different when the customer is the government, but the interpretation of those standards may be subject to special rules. If you are involved in government procurement and have questions regarding standards of conduct as they apply to a transaction with a U.S. government office or agency, please refer to Teradyne's Standards for Conducting Business with the U.S. Government on the Legal department Internal Website or contact Teradyne's Legal Department. Special care should be taken with respect to gifts and entertainment to foreign government employees and officials. Gifts and entertainment must be reasonable in amount, offered openly in good faith only in connection with the promotion of Teradyne products/services or with the performance of a government contract, lawful under local law and customary for the country included. In no event may any gifts or entertainment be offered in return for any improper influence to benefit Teradyne. Cash gifts are not permitted under any circumstances. Always remember, if it feels wrong, it probably is wrong.

CONFIDENTIAL OR PROPRIETARY INFORMATION

In the normal course of business, we often share proprietary or confidential information with customers or receive confidential information from customers. This kind of information should be offered, accepted, or exchanged only after a written nondisclosure agreement covering the information to be disclosed has been signed by both parties. We recognize and honor our obligations to protect the confidential and proprietary information we receive. If a questionable situation arises with respect to confidential or proprietary information, you should immediately bring it to the attention of your supervisor and, if necessary, senior management and Teradyne's Legal Department.

SALES COMMISSION AGREEMENTS

Teradyne establishes commission and fee arrangements only in writing and only with firms serving as bona fide commercial sales representatives, agents or consultants. Any commission or fees paid must be reasonable, consistent with the applicable written agreement, policy or plan and consistent with normal practices for our industry. Teradyne never makes payments in cash.

Teradyne's reputation as an ethical company is one of our most important assets. The manner, methods and style with which we do business with our customers determines our ability to retain that image. Consequently, all commercial dealings must be above board and conducted with the highest ethical standards.



With Competitors

RELATIONSHIP WITH COMPETITORS

You should be cautious when taking actions that in any way involve direct interaction with Teradyne's competitors. As a general rule in evaluating potentially unethical conduct, you should ask yourself these questions: "If a competitor acted in a similar way against us, would we consider it improper? If we did something in cooperation with a competitor, would our customer consider it improper?" The guidelines below cover some typical problems; however, in any specific instance you should consult Teradyne's Legal Department.

You should not engage in discussions or share information with competitors regarding pricing. As a general rule, you need to be careful not to share business, or technical information that is confidential or proprietary to Teradyne with others outside Teradyne and especially with competitors. Any agreement with one or more competitors regarding prices, terms of sale (e.g., credit, discounts, trade-ins), production volume, or market allocation (an agreement to divide up customers, types of products, geographic areas, or technology) is illegal. Boycotts, where two or more competitors agree not to deal with a particular customer or supplier, are also illegal.

Informal understandings are as serious as formal documents. Exchanges of information between competitors must be treated carefully, since they could be interpreted as "signals" for anticompetitive conduct.

A distributor who purchases products from Teradyne and resells them for its own account is a customer and potentially a competitor. For that reason, there are special rules governing this type of relationship. For example, it is illegal in most countries to dictate the distributor's price for reselling the product. Any arrangement with a distributor must be documented in writing and reviewed in advance by division management and Teradyne's Legal Department.

TRADE ASSOCIATIONS

Trade associations and professional groups are legitimate and useful business forums.

However, they pose a risk if topics discussed or agreements reached may be deemed anticompetitive. If you believe that topics or agreements discussed are or could be interpreted as anti-competitive, you should refuse to join in any conversation on the topic, leave the meeting if the discussion does not stop immediately and notify Teradyne management. If you have any questions or concerns regarding these issues, you should contact Teradyne's Legal Department.

BEING TRUTHFUL IN SELLING PRODUCTS

We sell our products on their merits and on the quality we provide as a supplier. Any statement about our products must be substantiated. Any statement about competitive products, quality,

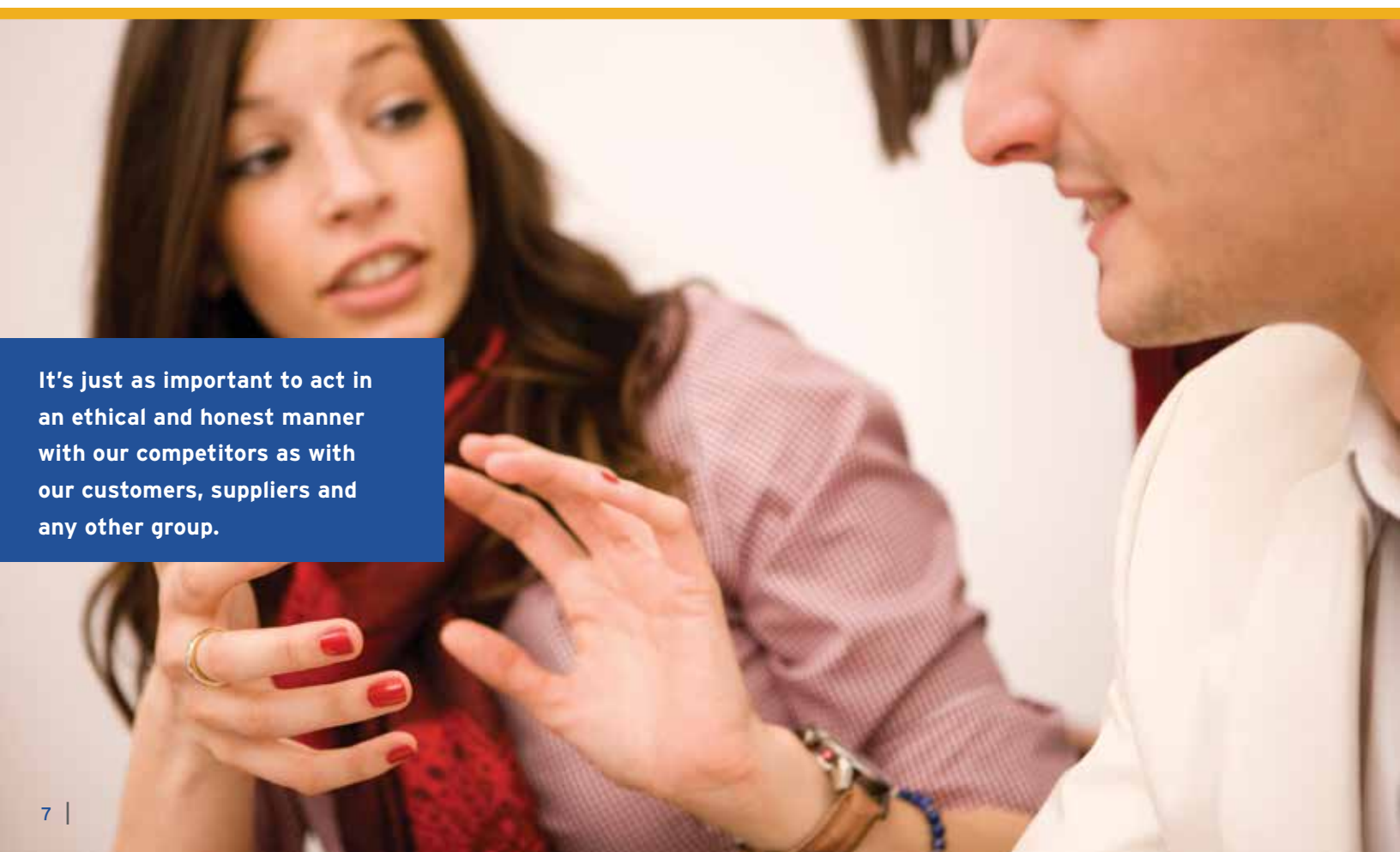
services, or the like must be complete and must be based on published or confirmed factual information.

COMPETITIVE INTELLIGENCE

Learning all available information about competitors is an essential part of the selling process. But the process has limits. You should not obtain confidential information or trade secrets through illegal means, such as industrial espionage, theft or bribing an employee of a competitor or a customer. You also should not accept or use confidential information or trade secrets about competitors where you know the person providing the information obtained it illegally.

If you have knowledge of trade secrets from prior employment with a competitor, that knowledge should not be used or disclosed at or within Teradyne. This obligation does not apply to your general information, skills and work experience obtained through your employment.

If you have any questions regarding the disclosure or use of any potentially confidential information from a prior employer, you should consult your manager or Teradyne's Legal Department.



It's just as important to act in an ethical and honest manner with our competitors as with our customers, suppliers and any other group.

With Suppliers

RELATIONSHIP WITH SUPPLIERS

We legally negotiate the best terms and conditions with our suppliers. You should not ask suppliers to restrict the sale of their products to anyone, except when a supplier's product is based on a Teradyne-owned design or a joint relationship. We do not require a supplier to buy from Teradyne in order to obtain our business. Conversely, we do not buy from suppliers simply because they purchase our products.

Close relationships with suppliers will often require Teradyne to share confidential information. Teradyne's standard purchase orders and purchase agreements require suppliers to respect Teradyne's confidential and proprietary information. You should not accept confidential or proprietary information from a supplier unless a written agreement governing use and disclosure has been signed. Contact the Teradyne Legal Department for procedures to create or review confidentiality agreements. It is our responsibility to inform suppliers of all relevant sections of this Code of Conduct so that unintentional violations can be prevented.

GIFTS AND ENTERTAINMENT WITH SUPPLIERS

You should accept only those gifts that are nominal in value (such as a bottle of wine or gift basket) or that are more in the nature of advertising (calendars or coffee cups, for example). You must not solicit or accept gifts when you believe that the gifts have been offered in the expectation that the gift will influence your decisions or actions or obligate you to do business with the supplier. In rare circumstances, local custom may call for an exchange of gifts having more than nominal value. Receiving such gifts should be done only on behalf of Teradyne and with prior approval from your manager.

Business meals, entertainment, sporting events and other meetings or events often serve a useful business purpose and strengthen the Company's relationship with its suppliers and business partners. Common sense and moderation should prevail in business entertainment engaged in on behalf of the Company. Entertainment that is lavish or frequent could appear to influence your business judgment. You must exercise good business judgment and make sure you do nothing that would compromise Teradyne, the supplier or yourself.

DISCOUNTS FROM SUPPLIERS

You should never misuse Teradyne's buying power for personal gain. All discounts for products and services that might be offered by a supplier must be openly and readily available to all employees. You should not, for instance, get a discount on building materials for your home because you have used a certain Teradyne supplier.

USING COPYRIGHTED OR LICENSED MATERIAL

It is our policy to comply with copyright laws and licensing agreements for all material obtained from third parties, such as software, open source code, user and maintenance manuals, documentation and design schematics. Downloading copyrighted material from a Teradyne network or an outside network is not allowed unless we have the appropriate license.

Teradyne bases its purchasing decisions on objective criteria such as price, quality, the financial stability and reputation of the supplier, technical requirements, service, and the overall business relationship with the supplier. As an important part of the Teradyne community, suppliers are critical to our success and deserve to be treated in a respectful and cooperative manner.



With Shareholders

Shareholders are an integral part of the Teradyne community. Shareholders are like customers, but their investment is in Teradyne itself. Employees, officers and directors must not use their position and access to information unfairly against the interests of the investment community.

INSIDE INFORMATION

Shareholders share in Teradyne's success, similar to others in the Teradyne community. They are entitled to accurate, timely financial and other information about the company and to know that trading in Teradyne's stock is conducted with integrity and fairness.

If you have information about Teradyne that is both material and non-public, also called "material inside information," it is illegal for you to trade in Teradyne stock, engage in any action to take advantage of such information, disclose such information to others, or recommend to others that they buy or sell Teradyne stock.

Information is "material" if it would influence a reasonable person to buy or sell stock or to refrain from buying or selling stock. Examples include: undisclosed booking or earnings information; trends in orders, sales or profitability; impending announcements of major new products; acquisitions or equity investments; and important project, product, or litigation developments.

Information is "non-public" if it has not been the subject of a Teradyne press release or a filing with the U.S. Securities and Exchange Commission ("SEC") or is not generally known outside Teradyne.

If you possess material inside information about Teradyne, you must wait to trade Teradyne stock until a reasonable time, usually 24 hours, after public disclosure of that information. Trading in Teradyne stock includes buying or selling any type of Teradyne security in the open market. These include exchange-traded options and other derivative securities, as well as common stock.

Teradyne's Vice President of Investor Relations is the proper contact for shareholders, financial analysts, and others seeking information about the company's finances and business. All requests from these groups should be directed to the Vice President of Investor Relations. You may obtain a copy of Teradyne's insider trading policy on the Legal Department's Intranet Website or by contacting the Legal Department.

ANOTHER COMPANY'S INSIDE INFORMATION

Certain material inside information that is related to Teradyne's business may not affect the stock price, but may affect the stock price of another company or the value of other investments. This type of inside information would include a planned investment in another company by Teradyne or the award of a significant contract by Teradyne to a supplier. It would also include information regarding orders, contracts or products of another company. If you learn material inside information about another company while performing your Teradyne duties, you may be considered an insider of that company and are subject to the same trading restrictions in that company's stock.

SHORT SALES

Officers and directors are prohibited, by U.S. securities law, from making short sales of Teradyne securities.

All employees should be aware that short sales and derivative transactions, such as buying or selling put and call options, carry the potential of placing their personal financial interests in conflict with the interests of Teradyne and its shareholders. Employees should therefore carefully evaluate the risks before entering into such a transaction.

BLACKOUT PERIOD

Directors, officers, and certain other employees of the company who have regular access to sensitive financial information are prohibited from buying or selling the company's securities during the company's official non-trading period, also called "blackout period," as published by the Legal Department, except pursuant to a 10b5-1 trading plan approved by the Legal Department. Directors, officers and employees subject to the blackout period may exercise and hold stock options during the blackout period, but may not sell the exercised options until after the period expires.

TRADING BY FAMILY MEMBERS

The restrictions on trading described above apply not only to you, but also to your spouse, minor children, other persons living in your home or who are your dependents, and any other person or entity who holds stock over which you do or may have some control. Insiders responsible for compliance by such persons should review the company policy and the prohibitions on insider trading with them.

ENFORCEMENT

If you violate insider trading laws, you and Teradyne may be subject to serious and substantial civil and criminal penalties. These laws apply to all members of the Teradyne community throughout the world.

The U.S. Securities Exchange Commission enforces insider trading laws and is aggressive in monitoring and prosecuting insider trading violations even where high-profile employees or significant profits are not involved.

Violations of insider trading laws and this policy by an employee may also result in disciplinary action, including termination of employment.

If you are uncertain about the constraints on your purchase or sale of any Teradyne securities or the securities of any other company that you are familiar with by virtue of your relationship with Teradyne, you should consult with Teradyne's Legal Department before making any such purchase or sale.



In Reporting Business Transactions

ACCURACY OF BOOKS AND RECORDS AND PUBLIC REPORTS

Employees must honestly and accurately report all business transactions. You are responsible for the accuracy of your business records, reports and accounts and you should retain records in accordance with Teradyne's legal obligations.

All Teradyne books, records and accounts must be kept and maintained in accordance with all applicable laws, regulations and standards and must accurately reflect the true nature of the transactions they record.

In addition, Teradyne's financial statements must conform to U.S. generally accepted accounting principles (U.S. GAAP) and Teradyne's accounting policies. No undisclosed or unrecorded account or fund may be established for any purpose. No false or misleading entries may be made in Teradyne's books or records for any reason, and no disbursement of corporate funds or other corporate property may be made without adequate supporting documentation.

It is essential that you accurately report expenditures including gifts or entertainment on your expense reports. Reports should accurately state the purpose of the expenditure and the identities of the individuals receiving the gifts or entertainment. More information is available on the G&A Accounts Payable Internal Website.

As a public company, Teradyne must file reports and documents with the U.S. Securities Exchange Commission and make other public communications. These filings and communications must provide accurate, complete and timely information, including our financial results and financial condition. As an employee or officer of the company, you must fully meet your responsibilities to ensure that Teradyne's financial reports and records comply with all applicable laws, generally accepted accounting principles and Teradyne policies.

If you are a member of Teradyne's Finance and Accounting Department or are otherwise involved with Teradyne's financial reporting, these responsibilities are especially important.

CONCERNS REGARDING ACCOUNTING, ACCOUNTING CONTROLS OR AUDITING MATTERS

Concerns regarding accounting, accounting controls or auditing matters may be reported to the Audit Committee of Teradyne's Board of Directors on a

confidential basis in any one of the following ways: (i) by mail to Audit Committee, c/o Teradyne, Inc., 600 Riverpark Drive, North Reading, MA 01864; or (ii) by telephone hotline at 1-866-388-1288. Reports submitted by regular mail to the Audit Committee or by telephone to the above hotline number may be made on an anonymous basis. You may also submit your concerns to Teradyne's Chief Executive Officer, Chief Financial Officer, Vice President of Human Resources or General Counsel or any individual member of the Audit Committee of Teradyne's Board of Directors. You will not be penalized or retaliated against for reporting a concern in good faith.

DEALINGS WITH INDEPENDENT AUDITORS

Employees, officers and directors must not, directly, indirectly, or by omission, make or cause to be made a materially false or misleading statement to an accountant in connection with any audit, review or examination of Teradyne's financial statements or the preparation or filing of any document or report with any U.S. regulatory agency such as the SEC. No employee shall, directly or indirectly, take any action to coerce, manipulate, mislead or fraudulently influence any independent public or certified public accountant engaged in the performance of an audit or review of Teradyne's financial statements.

Teradyne employees are obligated to report honestly and accurately all business transactions and must report concerns regarding questionable accounting, auditing and internal control matters.



REPORTING *and* COMPLIANCE PROCEDURES

REPORTING VIOLATIONS

Every employee, officer and director should ask questions, seek guidance, report suspected violations and express concerns regarding compliance with this Code of Conduct. If you know or believe that another employee or representative of Teradyne has engaged or is engaging in Teradyne-related conduct that violates applicable law or this Code of Conduct, you should report the situation to your manager or to Teradyne's General Counsel. You may report such conduct openly or anonymously without fear of retaliation. Teradyne will not discriminate or retaliate against any person who reports suspected violations in good faith or who cooperates in any investigation or inquiry regarding possible violations.

Any supervisor who receives a report of a violation of the standards described in this Code of Conduct must immediately inform Teradyne's General Counsel.

You may report violations on a confidential or anonymous basis, by contacting Teradyne's Ethics Office at: 600 Riverpark Drive, North Reading, Massachusetts, 01864, Attention: Ethics Office.

In addition, Teradyne has established a toll-free telephone number (1-866-388-1288) where you can leave a recorded message about any violation or suspected violation of this Code of Conduct. While Teradyne prefers that you identify yourself when reporting violations to enable us to follow up with you (if necessary), you may leave messages anonymously if you wish.

Failure to comply with this Code of Conduct may result in disciplinary action including, but not limited to, reprimands, warnings, discharge and restitution. Certain violations of this Code of Conduct may require Teradyne to refer the matter to appropriate governmental or regulatory authorities for investigation or prosecution.

Any supervisor who directs or approves any violation of these standards, or who has knowledge of a violation and does not immediately report it, also will be subject to disciplinary action, including discharge.

WAIVERS OF THE CODE OF CONDUCT

The standards contained in this Code of Conduct must be followed unless a special exception is granted. Special exceptions will be granted only if a compelling reason exists. If you are an employee and you believe that an exception to any of these policies is appropriate, you should first contact your manager. If your manager agrees that an exception is appropriate, the approval of Teradyne's General Counsel must be sought.

Only the Board of Directors may waive any provision of this Code of Conduct with respect to company officers and directors. A request for any such waiver should be submitted in writing to the Board of Directors, or a committee of the Board of Directors designated for this purpose. The Company will promptly disclose, by means of a posting on Teradyne's website, any waiver granted to an officer or a director, including the justification for the waiver.

Teradyne's General Counsel will maintain a record of all requests for exceptions to any of these policies and the disposition of such requests.

DISSEMINATION AND AMENDMENT

We expect each new Teradyne employee, officer and director to read this Code of conduct upon commencement of his or her relationship with Teradyne.

Current employees holding managerial, financial or other sensitive positions with Teradyne and directors will be required to certify on an annual basis, that they: (1) are familiar with such standards and have not violated any provision thereof; (2) are not aware of any violation of the standards by anyone else; (3) will comply with such standards; and (4) will report to Teradyne's General Counsel any actual or suspected violation of this Code of Conduct of which they become aware.

Teradyne reserves the right to amend, alter or terminate this Code of Conduct at any time for any reason without prior notice.



Teradyne, Inc.
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