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**Marchex.com**

## Code of Conduct For All Officers, Directors and Employees

### Introduction

Excellence with integrity is the key to Marchex, Inc.'s success, our dealings with customers, stockholders, employees, regulators and others with whom we do business. We honor our commitment to deliver excellence in all that we do. We are building our reputation by delivering quality products and services, and by adhering to the highest standards of business conduct. We must continue to conduct ourselves in accordance with the highest principles of fair and ethical business practices.

This Code of Conduct (the "Code") applies to Marchex, Inc. and each of its subsidiaries (collectively, the "Company" or "Marchex") and to the Company's officers, directors and employees. Compliance with the Code is mandatory. Compliance with this Code, other company policies, and the laws and regulations applicable to our business must be a priority for each of us. We must all exercise sound judgment, make the right choices and take the right actions. We must consistently apply the highest standards of business and personal ethics in the discharge of our assigned responsibilities.

This Code is designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between our personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, the Securities and Exchange Commission (the "SEC") and in other public communications;
- Compliance with applicable governmental laws, rules and regulations;
- Prompt internal reporting to the Company's General Counsel of violations of the Code; and
- Accountability for adherence to the Code.

You are urged to read this Code carefully and to abide by the spirit as well as the letter of the Code in all you do on the Company's behalf. Remember, compliance is good business practice - our behavior today will have a significant impact on the Company's reputation and business success tomorrow.

The Company is guided by the following values:

- We conduct our business openly, honestly, and with integrity.
- We obey the law and operate in accordance with the highest ethical standards.
- We treat our vendors, customers, partners, users and each other with respect and integrity. As a company and as individuals, we strive to be receptive, flexible and responsive.
- We take responsibility for ourselves through self-management and by accepting the consequences for our decisions and for our Company. We believe that mutual support, teamwork and cooperation will effectively allow us to achieve our objectives.
- We strive to attract and retain individuals who are competent, creative and professional - individuals who always give their best effort and bring out the best effort in others.
- Our goal is to work together to promote initiative and the free exchange of ideas. We strive to create opportunities for individual involvement in decision-making, and consider the personal and professional development of our employees to be a priority.

This Code provides a practical overview of some of the regulatory requirements and business practices that guide decision making and business activities for our officers, directors and employees. The principles set forth in this Code are not intended to cover every issue or situation that you may face. You should use the Code as a reference guide in addition to following the other policies and guidelines provided by the Company, including, but not limited to, the Employee Handbook.

From time to time the Company may adopt corporate policies which contain requirements with respect to certain areas of conduct which are more specific than those contained in this Code. If such policies are adopted, they will be



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provided to those individuals who are expected to adhere to them. In such instances, compliance with the general guidelines contained in this Code, as well the specific requirements of a particular corporate policy, will be required. If any law conflicts with a policy in this Code, you must comply with the law. If you have any questions about a conflict, you should consult with your supervisor or the Company's General Counsel regarding the situation. Those who violate the requirements of this Code will be subject to disciplinary action, which may include termination, referral for criminal prosecution and reimbursement to the Company or others for any losses or damages resulting from the violation. The procedures which the Company has established to oversee compliance with this Code and to respond to questions concerning the interpretation of this Code are set forth below. If you are in, have knowledge of or observe a situation which you believe may violate or lead to a violation of this Code, report such concerns to the Company's General Counsel.

We strongly encourage people to voluntarily report their own errors. A voluntary report demonstrates the type of integrity and character that we want to foster. If you are involved in a violation, your reporting of it, the degree of your cooperation and whether the violation is deliberate or unintentional will be considered in any resulting disciplinary action. An unintentional error made in good faith that is voluntarily and promptly reported is unlikely to be punished, and your prompt report may help avoid more serious problems.

All employees are expected to cooperate in any internal or external investigations of possible violations. Reprisals, threats, retribution or retaliation against any person who has in good faith reported a violation or a suspected violation of law, these guidelines or other Company policies, or against any person who is assisting in any investigation or process with respect to such violation, is strictly prohibited.

Please review this Code carefully. If you need guidance regarding a business practice or compliance issue or wish to report questionable behavior and/or a possible violation, talk to your immediate supervisor, manager, another member of management or our General Counsel. If you have any questions which you believe are not answered by this Code or if anything remains unclear after you read this Code, please feel free to raise them with the Company's General Counsel.

This Code applies to all Company officers, directors and employees and is not to be interpreted as an implied contract that employees will not be discharged except for cause.

### **Compliance with Laws, Rules and Regulations**

Obeying the law, both in letter and in spirit, is the foundation on which this Company's ethical standards are built. All officers, directors and employees are expected to fully comply with all federal and state laws, rules and regulations applicable to Marchex's business and with all applicable Company policies. The Company's business is subject to a wide range of federal and state laws, regulations and rules. Employees are responsible for understanding these laws and regulations and for preventing, detecting and reporting instances of non-compliance to a member of management, or the Company's General Counsel. There are no circumstances whereby the Company would permit an officer, director or employee to disregard any law or regulatory requirement in the conduct of its business, and no such activity will be tolerated.

The following offers guidelines for complying with applicable federal and state laws, rules and regulations:

- You must not knowingly violate any law or regulation, including unfair trade or insurance practices laws. You should consult with our General Counsel on any matter relating to actual or potential noncompliance with any law or regulation or any of the Company's contractual commitments.
- You may not engage in conduct or a sales practice that is intended to mislead, manipulate or take unfair advantage of a customer, member, partner, provider or supplier, or misrepresent the Company or its products or services.
- You must not misrepresent facts, contractual terms or Company policies to a customer, member, partner, provider, supplier or regulator. If you do so inadvertently, you must correct the misrepresentation as soon as possible after consulting with your supervisor and our General Counsel.

- You must establish and adhere to appropriate procedures governing the retention and destruction of records consistent with applicable laws, regulations, Company policies and business needs. You may not destroy, alter or falsify any document that may be relevant to a threatened or pending lawsuit or governmental investigation. Consult with and follow the instructions of our General Counsel in these situations.
- You may not agree with representatives of competing companies to engage in any of the following illegal practices: price fixing; allocating or dividing markets or customers; boycotting or refusing to deal with competitors, customers, partners or suppliers; or engaging in any other behavior that unlawfully restrains competition.
- You may not discuss or exchange competitively sensitive information (i.e., relating to price or markets) with representatives of competing companies, except with the prior approval of our General Counsel.

### Conflicts of Interest

Officers, directors and employees must conduct themselves in a manner that avoids actual or apparent conflicts of interest and that protects Marchex's business reputation. All business decisions must be made in the Company's best interest. A conflict of interest exists when a person's private interest interferes in any way with the interests of the Company. A conflict situation can arise when an officer, director and employee takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when an officer, director and employee or member of his or her family, receives improper personal benefits as a result of his or her position in the Company.

Conflicts of interest are not always clear-cut. Common areas where conflicts of interest may occur are described below.

### Employee and Officer Affiliations and Interests

No employee or officer of the Company shall engage in the same or a similar line of business as is carried on by the Company. An employee shall not have a financial interest in a company that is a competitor of or supplier to the Company unless otherwise approved by our General Counsel. Financial interests held by immediate family members in such companies are to be disclosed to our General Counsel so that a determination can be made as to whether a conflict exists. Members of the employee's immediate family shall include his or her spouse, children, and any other relative sharing the same home as the employee. Definition of financial interest shall not include ownership of less than 1% of a publicly-traded company.

Further, you may not engage in any outside activity that will prevent you from performing your Company duties. Since conflicts may not always be clear-cut, you must report to your supervisor and the Company's General Counsel all transactions or relationships that reasonably could be expected to give rise to a conflict.

### Director Affiliations and Interests

A conflict of interest may arise when a director takes actions or has interests that may make it difficult to perform the director's work for the Company objectively and effectively. Conflicts of interest arise when a director, or a member of the director's family, receives improper personal benefits because of the director's position with a company. Except as authorized by the Marchex Board of Directors, no outside director shall have a direct economic relationship with the Company. Company loans to, or guarantees of obligations of, directors and their family members are strictly prohibited. Any proposed affiliation, with a for-profit enterprise or any proposed transaction, involving the Company in which a director has a direct economic or beneficial interest shall be analyzed and reviewed by the Nominating and Governance Committee of the Board for potential conflicts. Since conflicts may not always be clear-cut, directors shall report any potential conflicts to, and are encouraged generally to consult with, the Company's General Counsel. Our General Counsel will then consult with the Chairman of the Board, Vice Chairman of the Board or the full Board, as necessary.

### Corporate Opportunities



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Employees, officers and directors are prohibited from taking for themselves personally opportunities that are discovered through the use of corporate property, information, intellectual property or position without the consent of the Board of Directors. No employee may use corporate property, information, intellectual property or position for improper personal gain, and no employee may compete with the Company directly or indirectly. Officers, directors and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises.

### **Family and Personal Relationships**

When a family member or close friend of an employee or officer living in the same household works for a competitor, customer, partner, provider or supplier of the Company, there is the potential for favoritism or inappropriate sharing of confidential information. You must report any situation involving such persons to your supervisor and the Company's General Counsel.

### **Disclosure to Customers**

Employees and officers must consult with the Company's General Counsel regarding the need for, and content of, any disclosure to Company customers or partners if they are aware of any agent, broker, consultant or other outside party who may have a conflict of interest.

### **Accepting Gifts**

Gifts or other benefits of value offered to you because of your Company employment, service or affiliation should be refused and should never be accepted where prohibited by law. However, non-cash gifts of nominal value can usually be accepted with prior approval of the Company's General Counsel.

### **Travel and Entertainment Expenses**

In general, business trips should not be financed by others. Employees and officers may accept an occasional meal or entertainment in connection with furthering the Company's business interest, but only if it will be appropriate to reciprocate. Employees and officers may not receive compensation (i.e., an honorarium) for participation on professional committees and panel presentations related to the Company's business, but the sponsoring organization may pay reasonable travel expenses if non-Company participants are treated equally.

### **Bribes or Other Illegal Payments**

Officers, directors and employees are prohibited from making or authorizing bribes or payments for illegal acts or any other use of Company property or resources in a manner that creates a conflict of interest or violates applicable law.

### **Loans and Guarantees of Obligations**

Loans to, or guarantees of obligations of, executive officers, directors and family members of such executive officers and directors are prohibited. In addition, loans to, or guarantees of obligations of, other officers and employees may create conflicts of interest and, therefore, must be reviewed and approved in advance by the Company's Audit Committee.

If you have a question regarding any actual or potential conflict of interest, you should obtain guidance from the Company's General Counsel. Any officer, director or employee who becomes aware of a conflict of interest or a potential conflict of interest must call it to the attention of the Company's General Counsel.

### **Customer Relations and Fair Dealing**

Our success depends upon the quality of the relationships between the Company, our employees, customers, partners and the general public. Our customers' impression of us and their interest and willingness to do business with us is substantially formed by the people who serve them. To that end, each employee, officer and director should endeavor to deal fairly with the Company's customers, suppliers, partners, competitors and each other. No



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one should take advantage of another through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

We seek to outperform our competition fairly and honestly. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is strictly prohibited.

The Company strictly observes the antitrust laws of the United States and the foreign jurisdictions in which we do business. The consequences of antitrust violations can be severe, including not only costly litigation, but also criminal sanctions including fines and jail sentences for individuals. Application of the antitrust laws is often difficult and highly dependent on each factual situation. Nevertheless, certain broad guidelines can be established as an aid to avoiding inadvertent misconduct. In any situation where doubt exists, the Company's General Counsel should be consulted before embarking on any course of action.

### **Agreements in Restraint of Trade**

Section 1 of the Sherman Act makes contracts, combinations or conspiracies that restrain trade illegal. Price fixing or agreements to divide markets or customers are examples of violations of the Sherman Act. Any contact, whether written or oral, with competitors concerning prices, terms of sale, territories or related matters must be avoided. Officers, directors and employees should understand that entirely innocent meetings with competitors on a casual basis and without discussion of any prohibited subjects, may later be used in a damaging fashion. Under no circumstances shall an officer, director or employee discuss pricing or other sensitive matters with competitors. If such a subject should come up at a meeting with competitors, it is essential to leave the meeting immediately. It is not sufficient to remain and not participate.

### **Robinson-Patman Act Price Discrimination**

The Robinson-Patman Act prohibits a seller from discriminating in price or terms of sale for goods of like grade and quality if the result may be to restrict competition. Therefore, the question of pricing should be carefully reviewed with the Company's General Counsel or Chief Financial Officer before any discounting policies or practices are instituted.

### **Section 5 of the Federal Trade Commission Act**

Section 5 of the Federal Trade Commission Act is very broadly written and authorizes the Federal Trade Commission to bring actions to enjoin "unfair trade practices." Such unfair trade practices can include, among other things, disparaging or misrepresenting a competitive product. Such practices are not acceptable under the Company's Code and are prohibited whether or not there is a risk of statutory violation.

### **Fraud, Dishonesty or Criminal Conduct**

Our reputation for integrity and our continued success depend on each of us conducting the Company's business honestly and in accordance with our legal and regulatory obligations. Fraud, dishonesty or criminal conduct on the part of any officer, director or employee or anyone doing business with the Company will not be tolerated. Conduct prohibited by this Code includes but is not limited to theft of employee or Company property, including the Company's intellectual property; misuse of computer, telephone or mail resources; misappropriation of corporate business opportunities; falsification of records or reports, including any unauthorized alteration of a Company document; violation of the Company drug and alcohol policy; and violence or threats of violence.

### **Payments to Government Personnel**

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. It is strictly prohibited to make illegal payments to government officials of any country.



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In addition, the U.S. government has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not only violate Company policy but could also be a criminal offense.

Any payment made to an outside party shall be made only for identifiable services and shall be appropriate in relationship to the services provided.

### **Record Keeping and Use of Property**

Employees are expected to honestly and accurately record and report all business information. Accounting standards and applicable laws require that all transactions involving the Company's assets be properly recorded in the books and accounts of the Company. No entry may be made in the Company's books and records that misrepresents, hides or disguises the true nature of any transaction and no officer, director or employee shall engage in any arrangement that results in such a prohibited act. Off-balance sheet transactions, arrangements and obligations must not be executed, and unrecorded funds or assets must not be maintained, unless permitted by applicable law or regulation. The Company requires that all financial transactions be executed in accordance with management's authorization and be recorded in a proper manner in order to maintain accountability for our assets.

Officers and supervisors must establish and maintain a system of internal accounting controls designed to:

(i) prevent unauthorized, unrecorded or inaccurately recorded transactions, and (ii) permit the preparation of financial statements according to generally accepted accounting principles.

The Company requires full, fair, accurate, timely, and understandable disclosure in reports and documents filed with, or submitted to, the SEC and other regulators, and in other public communications made by the Company. The Company has established disclosure controls and procedures as well as the internal accounting controls described above. While these policies and procedures are particularly applicable to our senior executive officers, all employees are responsible for complying with the Company's disclosure controls and procedures and internal accounting controls. If you have any questions concerning these policies, please contact the Company's General Counsel. Company records will be retained for the period of time specified in the Company's applicable record retention schedule.

All employees should also endeavor to protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. Any suspected incidence of fraud or theft should be immediately reported to the Company's General Counsel for investigation. Company equipment should not be used for non-Company business, though incidental personal use may be permitted under certain circumstances as approved by the Company's General Counsel. Company property, resources or position may never be used for improper personal gain, and you are prohibited from taking or keeping Company property or resources upon termination of your employment or affiliation with the Company.

The Company may monitor or inspect information systems, including e-mail, Internet use and personal computer files, and any materials contained in furniture or elsewhere on Company premises in order to prevent or detect improper record keeping or use of property or resources and to investigate possible violations of law, this Code or any other Company policies.

If you detect or suspect improper record keeping or that Company property or resources are being illegally or improperly used or retained, immediately contact your supervisor or the Company's General Counsel.

### **Proprietary, Confidential or Non-Public Information**

Certain information concerning the Company's products, marketing plans, strategic objectives, finances and other aspects of the Company's business must remain confidential. Officers, directors and employees must take care to maintain the confidentiality of information entrusted to them by the Company, except when disclosure is authorized by appropriate authorities within the Company or mandated by applicable laws or regulations. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or



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its customers if disclosed. It also includes information that outside persons such as suppliers, partners and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends. For further information, employees are encouraged to review his or her Confidentiality, Assignment of Inventions and Employment at Will Agreement, which each employee is required to sign as a condition of employment with the Company.

Collecting information on our competitors from legitimate sources to evaluate the relative merits of their products, services and marketing methods is proper and often necessary. There are limits, however, to the ways information should be acquired. Practices such as industrial espionage, stealing, seeking confidential information from a new employee who recently worked for a competitor, misrepresenting your identity in the hopes of getting confidential information from a competitor and any other form of questionable intelligence gathering are strictly prohibited.

## Intellectual Property

### Company Intellectual Property

Officers, directors and employees of the Company must comply with the laws and regulations that govern the rights to and protection of the Company's and others' copyrights, trademarks, patents, trade secrets and other forms of intellectual property. Intellectual property used by the Company, whether owned or licensed from others, is a valuable asset and must be protected from unauthorized use or disclosure. You are responsible for the proper handling of all intellectual property under your control. This includes all names, logos, trademarks, patents, service marks and copyrights.

You are prohibited from disclosing the Company's trade secrets or allowing anyone outside the Company to use a Company mark or copyrighted work without: (i) obtaining approval from senior management, and (ii) having in place a signed confidentiality or license agreement approved by the Company's General Counsel. You must notify the Company's General Counsel immediately if you become aware of any unauthorized or improper use or disclosure of a Company name, logo, service mark, trademark, trade secret, confidential document, patent or copyright.

### Others' Intellectual Property

- Do not use another party's name, logo, trademark, service mark or copyrighted material (including music and computer programs) without prior written permission from the owner.
- Treat all computer programs, documentation and related materials owned by others as you would treat Company trade secrets and confidential materials. Never remove copyright notices from a software product or its documentation.
- Do not copy entire copyrighted non-Company documents. Circulate the original or copy a small excerpt, if necessary.
- Do not copy videotapes (either full-length or edited), rebroadcast all or part of a television newscast, program or movie, or incorporate cuts from a movie or TV show into a Company production, without appropriate written permission, as determined by the Company's General Counsel.

## Securities Transactions

### Insider Trading

#### Purpose

For many years, the SEC and the U.S. Attorneys have been vigorously pursuing violations of insider trading laws. In 1998, to further deter insider trading violations, Congress expanded the authority of the SEC and the Justice Department by adopting the Insider Trading and Securities Fraud Enforcement Act (the "Act"). In addition to increasing the penalties for insider trading, the Act puts the onus on companies and its "controlling persons" for violations by Company personnel.

If companies like ours do not take active steps to adopt preventive policies and procedures covering securities trades by Company personnel, the consequences could be severe.



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We have adopted this insider trading policy to avoid the appearance of improper conduct on the part of anyone employed by or associated with our Company (not just so-called insiders).

### **Our Policy**

If a director, officer or any employee has material non-public information relating to our Company, neither that person nor any related person may buy or sell securities of the Company or engage in any other action to take advantage of, or pass on to others, that information. Even the appearance of an improper transaction should be avoided to preserve our reputation for adhering to the highest standards of ethical conduct.

For the purposes of this policy, a related person is: (i) a member of your family living in your household (including children who are away at school), and (ii) unrelated persons who share your household. This policy also applies to information relating to any other company, including our customers, distribution partners or advertisers, obtained in the course of employment.

Those employees of the Company who periodically or regularly have access to material, non-public information will be informed of their "insider" status. Such "insider" employees may not buy or sell stock during the Company's quiet period, referred to in further detail below.

"Material Information" is any information that a reasonable investor would consider important in a decision to buy, hold, or sell stock. In short, it is any information which could reasonably affect the price of our stock. Transactions covered by our insider trading policy include purchases and sales of stock, derivative securities such as put and call options and convertible debentures or preferred stock, and debt securities (debentures, bonds and notes). The trading restrictions detailed in this policy generally do not apply to the following:

- ❑ **Stock Option Exercises.** The trading restrictions contained herein generally do not apply to the exercise of a stock option. The trading restrictions do apply, however, to any sale of the underlying stock or to a cashless exercise of the option through a broker, as this entails selling a portion of the underlying stock to cover the cost of the exercise.
- ❑ **Employee Stock Purchase Plan.** The trading restrictions contained herein do not apply to purchases of Company stock in our employee stock purchase plan resulting from your periodic payroll contributions to the plan under an election you made at the time of enrollment in the plan. The trading restrictions do apply to your sales of Company stock purchased under the plan.
- ❑ **401(k) Plan.** The trading restrictions contained herein do not apply to purchases of Company stock in our 401(k) plans resulting from your periodic contribution of money to the applicable plan pursuant to your payroll deduction election. The trading restrictions do apply, however, to elections you may make under our 401(k) plans to (a) increase or decrease the percentage of your periodic contributions that will be allocated to the Company stock fund, (b) make an intra-plan transfer of an existing account balance into or out of the Company stock fund, (c) borrow money against your 401(k) plan account if the loan will result in a liquidation of some or all of your Company stock fund balance, and (d) pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Company stock fund.

Common examples of information that will frequently be regarded as material are: projections of future earnings or losses; actual financial results which have not yet been released to the public; 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 management; significant new products or discoveries; impending bankruptcy or financial liquidity problems; and the gain or loss of a substantial customer, partner or advertiser. Either positive or negative information may be material.

### **Twenty-Twenty Hindsight**

Remember, if your securities transaction becomes the subject of scrutiny, it will be viewed after-the-fact with the benefit of hindsight. As a result, before engaging in any transaction, you should carefully consider how regulators and others might view your transaction in hindsight.

### Transactions by Family Members

The very same restrictions apply to your family members (including children who are away at school) and other unrelated persons living in your household. Employees are expected to be responsible for the compliance of their immediate family and those unrelated persons sharing your household.

### Tipping Information to Others

Whether the information is proprietary information about our Company or information that could have an impact on our stock price, employees must not pass information on to others. The penalties noted below apply, whether or not you derive any benefit from another's actions. In fact, the SEC has imposed severe monetary penalties on tippers even though they did not profit from their tippee's trading.

### When Information is Public

As you can appreciate, it is also improper for a director, officer or a employee who has access to material, non-public information to enter a trade immediately after the Company has made a public announcement of material information, including earnings releases. Because the Company's shareholders and the investing public should be afforded the time to receive the information and act upon it, as a general rule, directors, officers and employees who have access to material, non-public information should not trade the Company's stock until two (2) trading days have elapsed following the public release of such information.

### The Consequences of Insider Trading Violations Can Be Staggering.

For individuals who trade on inside information (or tip information to others):

- A civil penalty of up to three times the profit gained or loss avoided;
- A criminal fine (no matter how small the profit) of up to \$5 million; and
- A jail term of up to twenty years.

For a company (as well as possibly any supervisory person) that fails to take appropriate steps to prevent illegal trading:

- A civil penalty of the greater of \$1 million or three times the profit gained or loss avoided; and
- A criminal penalty of up to \$25 million.

The civil penalties can extend personal liability to the Company's directors, officers and other supervisory personnel if they fail to take appropriate steps to prevent insider trading. If you violate this policy, Company imposed sanctions, including dismissal for cause, may result. While you may consider this harsh, even an SEC investigation that does not result in prosecution can tarnish one's reputation and irreparably damage one's career and the Company's position.

### Quiet Period

In order to avoid the appearance of impropriety, it is the Company's policy that our directors, officers and each of our employees, or any related person may not buy or sell securities of the Company during the quiet period commencing fifteen (15) trading days prior to the last day of any fiscal quarter or fiscal year and ending after two trading days have elapsed following the release of the Company's quarterly or annual financial results to the public. In addition, other circumstances may occur from time to time which may require a hold on trading in the Company's securities by directors, officers and each of our employees with access to or knowledge of such circumstances. The requirement that the quiet period be observed does not apply to trades made pursuant to a properly adopted 10b5-1 plan which such plan is approved in advance by the Company's General Counsel.

### Additional Prohibited and/or Discouraged Transactions

Because we believe short-term or speculative transactions involving Company stock can give the appearance of impropriety, it is the Company's policy that directors, officers and employees are prohibited and/or discouraged from engaging in any of the following activities with respect to securities of the Company as specified below:



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1. Buying and selling stock of the Company within a six-month period. (However, the policy does not restrict the exercise of stock options and the immediate sale of the stock.). (directors and officers prohibited and employees discouraged).
2. Short sales. (directors, officers and employees prohibited).
3. Buying or selling puts or calls. (directors, officers and employees discouraged).
4. Purchases of Company stock on margin. (directors, officers and employees discouraged).

We should recognize that any profits made or losses avoided pursuant to the type of transactions described at items 1 through 4 could, with 20/20 hindsight, be attacked by potential plaintiffs or the SEC as having been based on inside information.

### Company Assistance

If you have any questions about a specific stock transaction, you may obtain additional information by contacting the Company's General Counsel. If a specific transaction is unusually complex, the Company's General Counsel will insure that additional guidance is also obtained from the Company's outside corporate counsel. Remember, however, the ultimate responsibility for adhering to this policy and avoiding improper transactions rests with you. Violation of this policy may be cause for immediate termination.

To provide assistance in preventing inadvertent violations and avoiding even the appearance of an improper transaction (which could result, for example, where a director or officer engages in a transaction while unaware of a pending major development), all transactions in Company stock (acquisitions, dispositions, transfers, etc.) by directors and officers must be pre-cleared by the Company's General Counsel. Immediately following the completion of a transaction that has been pre-cleared, the director or officer must notify the Company's General Counsel of the date, quantity, price and nature of the transaction. If you are contemplating such a transaction, you should contact the Company's General Counsel in advance.

All directors, officers and holders of ten percent or more of the stock of the Company ("Section 16 Persons") are required to file certain reports with the SEC under the Securities and Exchange Act of 1934 (the "Exchange Act"). Pre-clearance and follow-up regarding transactions by Section 16 Persons are required because certain transactions must be reported to the SEC on Forms 4 within two business days following the date of the transaction. Such reportable transactions include any purchases, sales or other acquisitions or dispositions of equity securities of the Company beneficially owned by such persons. For the purposes of Section 16 of the Exchange Act, the term "beneficial ownership" includes securities over which a person exercises voting or investment power, and includes any security in which a person has a direct or indirect pecuniary interest, including the ownership of a security by members of a person's immediate family sharing the same household. For these purposes, "equity security" includes, but is not limited to, stock, options, warrants, and convertible securities of the Company.

Although each Section 16 Person is responsible for fully and accurately complying with the provisions of the Exchange Act, the Company is available to assist with such reporting obligations. Any late filings must be disclosed to the Company's stockholders in the Company's proxy statement. These procedures are necessary to insure the Company's compliance with all applicable securities rules and regulations.

### 10b5-1 Plans

Directors, officers and employees, who choose to establish 10b5-1 plans must implement such plans only at such times as they are not in possession of material non-public information and only during an open trading window, which begins after two (2) trading days have elapsed following the release of the Company's quarterly or annual financial results to the public and ends fifteen (15) trading days prior to the last day of any fiscal quarter or fiscal year. All 10b5-1 plans must be approved in advance by the Company's General Counsel. Such plans should provide that no transaction shall be executed pursuant thereto until at least thirty (30) days after such plans are implemented. No pre-clearance is necessary for any transaction effected pursuant to a 10b5-1 plan.



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Any changes to active 10b5-1 plans can only be made during an open trading window and such plans can not provide for the execution of any trades until at least ninety (90) days from the date of the amendment. In addition, if a director, officer or employee decides to establish a new 10b5-1 plan while an active plan is already in place, the new plan can not provide for the execution of any trades until after the active plan lapses.

### **Disclosure of Material Non-Public Information**

Regulation FD prohibits the selective disclosure of material non-public information to securities market professionals and investors who may trade on the basis of the information. Regulation FD requires that any disclosure of material non-public information must be made by simultaneous dissemination. Accordingly, the following procedures should be followed in handling inquiries from the media, stock exchanges, securities analysts, business partners and other outside parties regarding the Company.

### **Communications with Media and Others**

Only those employees who have been specifically authorized to do so may answer questions about or disclose information regarding the Company and only the Company's CEO or General Counsel may authorize employees to speak on behalf of the Company. Inquiries from the financial community, media or industry analysts should be referred to the Company's public relations or investor relations department and any inquiries from a regulatory agency, including Nasdaq or the SEC should be referred to the Company's CEO or General Counsel. Accordingly, no employees should ever proactively contact members of the financial community, media or industry analysts without prior authorization of the applicable member of our public relations or investor relations staff listed below under "Key Contacts."

If you are not authorized to speak on behalf of the Company and are asked to do so, a "no comment" response is appropriate. You may also refer the person inquiring to our public relations or investor relations department. Comments such as "I am not aware of any corporate activity in that area" or "I know we are looking at acquisitions" are inappropriate and should never be made. An unauthorized response may create serious disclosure problems for the Company.

### **Employment Practices**

Our most important resource is our employees. The Company is an equal opportunity employer. All employment must be in compliance with all applicable laws and regulations, including those concerning hours, compensation, opportunity, human rights and working conditions.

The Company strictly prohibits discrimination or harassment against any employee because of the individual's race, color, religion, gender, marital status, sexual orientation, national origin, age, disability, veteran's status or any characteristic, trait or status protected by federal, state or local law.

All Company employees are subject to the provisions of our Employee Handbook which is incorporated herein by reference.

### **Activities with Government**

- All matters involving a state or federal governmental body or agency must be closely coordinated with our General Counsel. Immediately notify our General Counsel if contacted by a governmental body or agency.
- Only senior management or persons designated by the Company to serve in a government relations or legal capacity are authorized to express the Company's views on legislation, regulations or governmental action. Further, only persons designated by the Company from the government relations and law areas may engage the services of lobbyists for the Company.

### **Political Activity and Contributions**

Employees are encouraged to participate in political activities of their choice on an individual basis, with their own money and on their own personal time. Corporate contributions to political causes are illegal in many jurisdictions



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and electoral processes, and, therefore, no Company assets, including employee work time and use of Company premises or equipment, may be contributed to any political candidate, party or campaign, unless specifically approved in writing by the Chairman or the Vice Chairman of the Board of Directors.

Except for Company-supported charitable events, officers, directors and employees may not solicit the donation of merchandise or similar items or services from vendors, partners or customers.

### **Compliance Reporting, Administration and Discipline**

All employees and officers of the Company are responsible for conducting themselves in compliance with this Code, other Company policies, and applicable laws and regulations. In addition, all members of the Marchex Board of Directors, in regard to their Company duties, are responsible for conducting themselves in compliance with applicable provisions of this Code and other Company policies, and applicable laws and regulations.

### **Acknowledgment**

After reading this Code, every Company officer, director and employee must fill out an acknowledgement form to be provided by your supervisor or the people services department to acknowledge that you have read, understand and, to the best of your knowledge, are complying with the various provisions of the Code. The acknowledgment form also provides a means of reporting any possible Code violations or conflicts of interest. If your circumstances should change, you must immediately discuss the matter with your supervisor and the Company's General Counsel, and submit an updated Code acknowledgment form, if warranted.

### **Corporate Compliance Officer**

The General Counsel of the Company will serve as the Company's Compliance Officer. The Compliance Officer reports to the Audit Committee of the Board of Directors and to the full Board. The Nominating and Governance Committee oversees the Company's general compliance with the law and this Code.

Ordinarily, questions concerning the application of this Code should be addressed to an employee's supervisors, who will relay them to the Company's General Counsel or the Nominating and Governance Committee, if necessary. If an employee is uncomfortable raising such questions with his or her supervisor, they may be addressed to the Company's General Counsel or any member of the Nominating and Governance Committee directly. You can reach the Company's General Counsel via email at [eac@marhex.com](mailto:eac@marhex.com) or by telephone (206) 331-3310.

The Company's General Counsel works with supervisors and employees to provide timely, pragmatic advice on compliance questions and to administer education and training. The Office is also involved in investigating any and all potential violations of the Code.

### **Reporting Problems**

It is essential that all officers, directors and employees are sensitive to possible violations of this Code. Any suspected or actual compliance problems or violations must be promptly reported to your supervisor and the Company's General Counsel.

Reports regarding potential violations of the Code will be handled confidentially. Employees are expected to cooperate in internal investigations of misconduct. The Company does not tolerate retribution, retaliation or adverse action of any kind against anyone for lawfully reporting a situation of potential noncompliance, or providing to the Company or any law enforcement or other governmental agency any information or assistance relating to the commission or possible commission of any federal or state offense, or breach of Company policy. Those wishing to anonymously report compliance problems may call (206) 331-3377.

The Audit Committee, in consultation with the Company's General Counsel, will maintain procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters. Any employee may submit a good faith concern regarding questionable accounting or auditing matters without fear of dismissal or retaliation of any kind.



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Please contact the Company's General Counsel whenever you have a question or a matter to report involving potential violation of this Code or applicable laws and regulations.

### **Disciplinary Action**

Employees and officers who fail to comply with the policies, standards and guidelines in this Code of Conduct, or with the laws and regulations applicable to the Company's business, are subject to disciplinary action, including possible termination of employment with the Company. Individuals who willfully fail to report known violations will also be subject to disciplinary action. Furthermore, any supervisor, manager, officer or director who directs, approves or condones infractions, or has knowledge of them and does not promptly report and correct them in accordance with this Code will be subject to disciplinary action. Individuals who fail to cooperate with an investigation will be subject to disciplinary action. Such disciplinary action may include termination, referral for criminal prosecution and reimbursement to the Company or others for any losses or damages resulting from the violation.

### **Administration and Waiver**

This Code of Conduct can be found on Marchex's website at [www.marchex.com](http://www.marchex.com). Any change to this Code shall be disclosed to the public on Marchex's website within four business days after the change is made and otherwise as required by law or regulation.

Any waiver of this Code for directors or executive officers may only be granted by Marchex's Board of Directors. Any waiver for other officers or employees may only be granted by Marchex's CEO. Any waiver of this Code for directors, executive officers, the principal accounting officer or controller, or persons performing similar functions shall be disclosed to the public on a Form 8-K and filed with the SEC within four business days after the waiver is granted. Such Form 8-K will also explain the reason for the waiver.

### **Key Contacts and Phone Numbers**

Ethan A. Caldwell, General Counsel and Compliance Officer  
c/o Marchex, Inc.  
413 Pine Street, Suite 500  
Seattle, Washington 98101  
Phone: (206) 331-3310  
Fax: (206) 331-3696  
E-mail: [eac@marchex.com](mailto:eac@marchex.com)

Trevor Caldwell, Investor Relations  
c/o Marchex, Inc.  
413 Pine Street, Suite 500  
Seattle, Washington 98101  
Phone: (206) 331-3600  
Email: [ir@marchex.com](mailto:ir@marchex.com)

### **Amendment to Code of Conduct**

Marchex's Board of Directors regularly reviews compliance policies and guidelines and may amend this Code of Conduct from time to time to ensure that appropriate standards are contained herein and as required by law or regulation.

### **Adoption of Code of Conduct**

This amended Code of Conduct was adopted by the Board of Directors on September 18, 2008.

*Amended effective September 18, 2008*