



**MOSAID TECHNOLOGIES INCORPORATED**  
**EQUITY OWNERSHIP GUIDELINES**

In a continuing effort to align the interests of the non-employee directors and senior officers of MOSAID Technologies Incorporated (“MOSAID”) with the interests of MOSAID’s shareholders, MOSAID’s Board of Directors (the “Board”) hereby establishes recommended MOSAID equity ownership guidelines (the “Guidelines”).

**Covered Persons**

MOSAID’s President and Chief Executive Officer, each of MOSAID’s executive and senior vice presidents, each MOSAID vice president designated by the Board (a “Vice President”), the Chairperson of the Board and each MOSAID non-employee director is a “Covered Person” under these Guidelines.

**Ownership Guidelines**

The Board recommends that the Covered Persons listed below achieve the equity ownership levels shown within three years of the date of the establishment of these Guidelines (i.e., by September 30, 2008) or, for an individual who becomes a Covered Person after the date of these Guidelines were adopted, within three years after the date of his or her qualification as a Covered Person, and hold the number of MOSAID shares or share equivalents recommended for so long as they are Covered Persons:

President and Chief Executive Officer	25,000
Executive and Senior Vice Presidents	15,000
Vice Presidents	7,500
Chairperson of the Board	6,000
Non-employee director	3,000

Covered Persons may achieve these Guidelines through the award of Deferred Share Units under MOSAID’s Deferred Share Unit Plan (whether vested or unvested), stock option exercises, purchases under MOSAID’s Employee Stock Purchase Plan (if applicable), through open market purchases made in compliance with applicable securities law or through any other equity plans MOSAID may adopt from time to time.

Dated this 30<sup>th</sup> day of September 2005.