

INSIDER TRADING POLICY

1. General Purpose

PCS Edventures!.com, Inc.'s Board of Directors has adopted this Insider Trading Policy both to satisfy the Company's obligation to prevent insider trading of the Company's securities and to help Company personnel avoid the consequences associated with violations of the insider trading laws. This policy applies to all PCS directors, officers, and employees. For purposes of this Policy, "Company," "PCS", "we," or "us" means both PCS Edventures!.com, Inc. and its subsidiaries.

"Insider trading" means the purchase or sale of securities by persons who are aware of material non-public information about a company and the disclosure of material non-public information about a company to others who then trade in the company's securities (a practice known as "tipping").

Insider trading, including tipping, is a violation of federal law and, in some cases, a crime. Federal law also penalizes companies and other "controlling persons" if they fail to take reasonable steps to prevent insider trading by company personnel.

This Policy is intended to prevent even the appearance of improper conduct by all PCS employees. Everyone at PCS has worked very hard over the last two decades to establish PCS as a company known for integrity and ethical conduct, and we cannot afford to have that reputation damaged.

Remember, anyone who reviews your securities transactions will do so after the fact, with the benefit of hindsight. This being the case, you should carefully consider how others might view the transaction before you buy or sell PCS securities.

A copy of this Policy shall be delivered to all new employees when they start work and shall be included in the Company's Employee Handbook

2. Definitions

a. Blackout Period. A Blackout Period is a period of time during which this Policy prohibit Insiders from trading PCS securities. Blackout Periods generally cover times when Insiders are aware or likely to be aware of material non-public information, such as the periods during which SEC reports on the Company's quarterly or annual financial results are being prepared and disseminated. Section 4 of this Policy discusses Blackout Periods in greater detail.

b. Insider. In this Policy the term "Insider" means (i) any member of our Board of Directors, (ii) any PCS corporate officer, and (iii) any other PCS employee.

c. Material non-public information. “Nonpublic information” means information that has not been broadly disclosed to the public through a press release, earnings call or SEC filing. “Material information” means any information that is likely to affect the price of PCS stock or that a reasonable investor would want to know when deciding to buy or sell PCS stock. Material information is a very broad concept that can include a wide range of information. For this reason, if you are ever unsure whether certain information is material, play it safe and assume that the information is material. Information about any of the following subjects is always considered “material”; but please remember that, depending on the circumstances, almost any information about the Company, whether positive or negative, can constitute “material information.”

(i) Financials

- PCS’ present or forecasted future financial condition, including statements of earnings or losses
- Errors in previously issued financial statements that make those financial statements unreliable
- Change in PCS’ fiscal year

(ii) Operations

- Launch of a new product or business
- Pending or prospective mergers, acquisitions or tender offers
- Sale of significant assets or of a significant subsidiary
- Gain or loss of a substantial customer or supplier
- Taking out a significant long-term loan or leasing a significant capital asset
- Significant developments in actual or threatened litigation

(iii) Management

- Major changes in senior management
- Changes in the board of directors

(iv) Investor Relations

- Discussion of significant risk factors affecting the Company’s business
- New equity or debt offerings
- Amendments to the Company’s articles of incorporation or bylaws
- Agreement with a government agency to conclude an investigation of PCS, its officers, or directors or to settle any issues resulting from an investigation

(v) **Internal Controls**

- Change in the Company’s auditor
- Sales of unregistered equity securities
- Amendments to PCS’ code of ethics
- Waiver of a provision of PCS’ Code of Ethics for Senior Financial Officers

d. Securities. The term “securities” includes PCS common stock; PCS preferred stock; options, warrants, and other rights to purchase PCS stock; convertible debt issued by PCS; and derivatives of PCS securities. Stock options or other equity-based awards granted under any PCS equity incentive plan are subject to all the restrictions of this Policy.

Note

The definition of “securities” covers awards under any PCS equity incentive program, including any non-stock incentive (such as a stock appreciation right) whose value is tied to the market price of PCS stock.

e. Trading. To “trade” in securities means to buy or sell securities. Trading in securities includes exercising a stock option or a non-stock incentive, such as a stock appreciation right, whose value is tied to the market price of PCS stock.

3. Policy

a. Pre-Clearance Required. No Insider may trade PCS securities without obtaining pre-clearance from the Company’s Compliance Coordinator. Section 6 of this Policy discusses pre-clearance procedures and the Compliance Coordinator’s role in greater detail.

b. Trading While Aware of Inside Information About PCS Prohibited. No Insider may trade PCS securities at any time when aware of material non-public information relating to the Company, unless the trade is effected pursuant to an effective Rule 10b5-1 Plan adopted in accordance with Section 5..

c. Trading Prohibited During Blackout Periods. No Insider may purchase or sell PCS stock during a Blackout Period. No Insider may exercise any stock option or other equity-based award issued under a Company equity incentive plan (“Award”) (whether for cash or in a cashless exercise) during a Blackout Period absent written approval by the Compliance Coordinator or the Company’s legal counsel after review of the pertinent facts and circumstances. Holders of options or other Awards are responsible to be make themselves aware of the dates of Regular Blackout Periods. If an option or other Award will expire during a Regular Blackout Period, the holder must exercise the

Award prior to the commencement of the Regular Blackout Period or the Award will expire pursuant to its terms.

Section 4 of this Policy discusses Blackout Periods in greater detail. Section 5 of this Policy discusses the limited exceptions to the prohibition of trading during Blackout Periods.

d. Short Sales and Options Trading Prohibited. No Insider may engage in short sales of PCS securities or trade put options, call options, or other derivatives of the Company's securities.

e. Trading on Insider Information About Other Companies Prohibited. No Insider may trade securities of another company at any time while aware of material non-public information about that company that the Insider obtained during the course of the Insider's employment or other relationship with PCS. For example, an Insider may not trade while aware of material nonpublic information about one of PCS's customers, vendors, or suppliers.

f. Tipping Prohibited. No insider may disclose material non-public information to any person outside the Company, including family members, or make recommendations or express opinions on the basis of material non-public information with regard to trading PCS securities.

g. No Unauthorized Public Statements. No insider may comment on PCS's stock price or rumors about PCS, unless the comment is authorized under PCS's Disclosure Policy. The Disclosure Policy is included as Appendix D to this Handbook.

Note

If you make an unauthorized comment on PCS's stock price, rumors about PCS, or otherwise disclose material non-public information, you should immediately contact the Company's Chief Compliance Coordinator or our General Counsel. See contact information in Appendix A.

h. Family and Other Household Members. The restrictions contained in this Policy apply equally to the members of each Insider's household. PCS considers violations of this Policy by the members of an Insider's household to be violations by the Insider. PCS recognizes that this may not be appropriate in all situations, and when this is the case, the Insider should promptly discuss his or her situation with the Compliance Coordinator. Appendix A to this Policy contains contact information for the Compliance Coordinator.

i. Exceptions. The only exceptions to this Policy are the express exceptions set out in Section 5 of this Policy.

4. Blackout Periods

a. Regular Blackout Periods. There are four regular Blackout Periods during which this Policy prohibits Insiders from trading PCS securities. The Regular Blackout Periods begin twenty-five (25) calendar days before reports of financial results are due to be filed with the SEC for the fiscal quarters ending June 30, September 30, December 31 and March 31 of each fiscal year and end three full trading days of PCS securities on the over the counter bulletin board (OTCBB) after the report is actually filed. At least annually, the Compliance Coordinator will notify the Company's employees of the commencement date and scheduled end date of the next four quarterly Regular Blackout Periods.

b. Additional Blackout Periods. Additional Blackout Periods may be declared by the Company's management if and when other material events occur, such as an impending merger or acquisition of the Company. Because the events that give rise to the Additional Blackout Period may be known by only a few individuals, the Company may limit the Additional Blackout Period's application to the individuals who possess material nonpublic information about the event and individuals who would appear likely to an outsider to have had access to or been aware of material non-public information related to the event.

The Company may also impose an Additional Blackout Period while the Company is in the process of assembling interim earnings guidance or other potentially material information for public release.

All Additional Blackout Periods will remain in effect while the information remains non-public information and for three full trading days of PCS securities on the OTCBB after the information is made public.

If you are made aware of the existence of an Additional Blackout Period you should not disclose the existence of the Additional Blackout Period to any other person.

Note

Whether or not you are designated as being subject to an Additional Blackout Period, you still have the obligation not to purchase or sell while you are aware of the material non-public information.

5. Exceptions to the Prohibition of Trading During a Blackout Period

a. Exercise of Incentive Award Expiring During Additional Blackout Period. If an option or other Award would expire during an Additional Blackout Period (i.e., a Blackout Period other than a Regular Blackout Period): (i) exercise of the Award during the Additional Blackout Period for a pre-determined fixed exercise price payable in cash will generally be permitted by the Compliance Coordinator; but (ii) cashless exercise of the Award during the Additional Blackout Period generally will not be

permitted. However, the Compliance Coordinator may, at the Compliance Coordinator's sole discretion, allow the cashless exercise of the otherwise expiring Award by the Insider during the thirty (30) day period after the end of the Additional Blackout Period. In exercising this discretion, the Compliance Coordinator may consider (among other factors) whether the Insider is or is not aware of the material nonpublic information resulting in the Company's declaration of the Additional Blackout Period, whether the deferred exercise of the Award could create the appearance of improper conduct, whether (with respect to an Incentive Stock Option) the extension of the term of the option would compromise its tax attributes, and whether the extension of the term of the Award would be a deferral subject to Section 409A of the Internal Revenue Code.

Note

You may suffer losses because you are prohibited from trading during a Blackout Period. PCS has no obligation to permit you to trade during a Blackout Period, even if you are not in fact aware of material nonpublic information and even if your option or other Award will expire during the Blackout Period. The best way to avoid these consequences is to establish a Rule 10b5-1 Plan, as described in the following section of this Policy.

b. Rule 10b5-1 Plans. Insiders may trade in securities at any time through a Rule 10b5-1 Plan that has been approved by the Company, regardless of the restrictions contained in this Policy. This Section 5.b. describes Rule 10b5-1 Plans and sets out the process for Insiders who wish to have the Company approve their Rule 10b5-1 Plans.

SEC Rule 10b5-1 allows an insider to trade company stock while aware of material non-public information, so long as trading activity is conducted pursuant to a pre-existing contract, instruction or plan established in good faith when the insider was not aware of any material non-public information. A properly structured Rule 10b5-1 plan will allow an Insider to trade securities, including exercising options or other awards, at times when trading would otherwise be prohibited, such as during a Blackout Period or while the Insider is aware of material non-public information. A Rule 10b5-1 Plan does not, however, relieve any Insider from normal PCS stock trade procedures or disclosure requirements such as Rule 144 limitations on sale of "restricted securities" and Form 4 filing requirements applicable to directors and executive officers.

Insiders can customize a Rule 10b5-1 Plan to meet individual needs. The number of shares to be traded can be designated as a specific number, as a percentage of the insider's holdings, or as a number of shares needed to produce a specific dollar amount of proceeds. Price can be designated as a specific dollar price, a limit order price, or as the prevailing market price. Date and time of trade can be designated as a specific date and time or as when a specific event occurs. For example, a plan might state: "Sell 10,000 shares of PCS common stock on the first trading day in January 2010 at no lower than \$1.00 per share" or "On the third trading day of every calendar quarter, sell \$10,000 worth of PCS common stock."

PCS encourages Insiders to establish 10b5-1 plans and, to the extent feasible, to limit their purchases and sales of PCS securities to trades conducted under such plans. The following requirements apply to the establishment and operation of Rule 105-1 plans:

- (i) Submission of proposed plan to the Company's Compliance Coordinator for review prior to adoption.
- (ii) Binding written contract with securities broker expressly specifying amount of securities to be purchased or sold, price and time of transaction, or a written formula or algorithm or computer program for determining amounts, prices and dates.
- (iii) Plan adopted in good faith outside of any Blackout Period and while insider is not aware of any material nonpublic information.
- (iv) Plan expressly prohibits insider from any subsequent influence over how, when or whether to buy or sell PCS securities.
- (v) 30 day waiting period after adoption of plan prior to first trade.
- (vi) Approval by Compliance Coordinator prior to any modification of the plan after adoption. (A 10b5-1 plan may be modified only at a time when the insider is not aware of any material non-public information).
- (vii) Letter from broker's compliance officer affirming that broker will trade PCS securities for insider only in compliance with the plan and will not permit the insider to modify or terminate the plan or otherwise exercise any influence or control over amount, price or timing of transactions in PCS securities without written approval from the Company's Compliance Coordinator.

Further information concerning 10b5-1 plans and sample plan agreements may be obtained from the Company's Compliance Coordinator. Appendix A to this Policy contains contact information for the Compliance Coordinator.

6. Pre-Clearance Required for Trades by Insiders.

Because of the small size of the Company, the directors, officers, and employees of the Company frequently have access to confidential information about the Company. Accordingly, the directors, officers, and employees of the Company must consult and pre-clear all trades of PCS securities with the Compliance Coordinator or the General Counsel. As part of the pre-clearance procedure, Insiders will need to demonstrate that they have arranged for filing the appropriate report forms and notices with the SEC. The Compliance Coordinator's approval of a trade will remain effective for a specific number of days as determined by the Compliance Coordinator. The Compliance Coordinator will

document and maintain records of each pre-approved transaction, the date of approval or denial and other pertinent information.

This pre-clearance requirement will enable the Compliance Coordinator to consider the applicability of SEC Rule 144 (limitations on sale of “restricted securities”), SEC Rule 10b-5 (insider trading rule) and SEC Section 16(b) (short-swing profit rules) to the proposed transaction and to assure compliance with any related filing requirements. The Compliance Coordinator may, at the Compliance Coordinator’s sole discretion, deny pre-clearance to avoid even the appearance that the Insider is trading while aware of material, nonpublic information.

Note

You may suffer losses because you are denied pre-clearance to trade PCS securities. PCS has no obligation to permit you to trade if the Compliance Officer determines that your trade could appear to be based on material, nonpublic information. This is true even if you are not in fact aware of material nonpublic information. The best way to avoid these consequences is to establish a Rule 10b5-1 Plan, as described in Section 5 of this Policy.

Pre-clearance is not required for trades conducted pursuant to an approved 10b5-1 plan; but Insiders are nevertheless required to pre-notify the Company’s Compliance Coordinator prior to trades under an approved 10b5-1 plan in order to assure that the appropriate SEC reports and notices are timely filed.

Appendix A to this Policy contains contact information for the Compliance Coordinator.

7. Potential Criminal, Civil Liability, and Disciplinary Action

This Policy establishes certain rules governing trades by PCS Insider, but it does not describe or establish rules for all possible violations of federal securities laws based on misuse of material nonpublic information. Appropriate judgment should be exercised by each individual in connection with the purchase or sale of PCS securities.

Insiders found liable for insider trading may be subject to criminal penalties and imprisonment for trading of securities based on material non-public information. In addition, an insider may be liable for transactions by any person to whom the insider has disclosed the material non-public information. The SEC has imposed large penalties even when the disclosing person did not profit, directly or indirectly, from the trade(s). Civil penalties of up to three times the profit gained or loss avoided may be imposed against an insider who buys or sells PCS stock while aware of material non-public information.

Any Insider who is found to have violated this Policy will be subject to disciplinary action as outlined in the Employee Handbook, including ineligibility of future participation in equity incentive plans or termination of employment.