

**NUVASIVE, INC.**  
**INSIDER TRADING POLICY**  
**Procedures and Policies Governing**  
**Securities Trading and Communications by Employees, Officers, Consultants and**  
**Directors**

(Updated and Effective as of April 24, 2012)

I. Statement of Purpose

It is illegal for any employee, officer, consultant or director of NUVASIVE, INC. (“**NUVASIVE**” or the “**Company**”) or their Beneficial Owners (as defined below) to engage in transactions involving NUVASIVE’s securities while in possession of material non-public information concerning NUVASIVE. It is also illegal for any employee, officer, consultant or director of NUVASIVE to give material non-public information concerning NUVASIVE to others who may trade on the basis of that information.

In order to assist in compliance with federal and state securities laws governing transactions in Company securities while in possession of material non-public information concerning NUVASIVE, and governing disclosure of material non-public information to outsiders (“**tipping**”), and in order to prevent the appearance of improper trading or tipping, NUVASIVE has adopted this policy. This policy replaces any prior policies and procedures governing securities trading by employees, officers, consultants and directors which may have been in place prior to the adoption of this new policy.

In addition, this policy sets forth procedures and policies governing unauthorized communications by Insiders (as defined below), including with respect to posting messages regarding NUVASIVE on Internet message boards, chat rooms, bulletin boards, blogs or other similar means of electronic distribution, whether under actual or fictitious names, discussions with the media and the use of NUVASIVE’s telecommunications and information systems.

II. Scope

This policy covers all employees, officers and directors of NUVASIVE or its subsidiaries and any consultant to NUVASIVE who receives or has access to material non-public information regarding NUVASIVE. The restrictions on employees, officers, directors and consultants also applies to their children, stepchildren, grandchildren, parents, stepparents, grandparents, spouses, siblings, mothers-in-law, fathers-in-law, sons-in-law, daughters-in-law, brothers-in-law and sisters-in-law, including adoptive relationships, who reside in their households, as well as entities (such as corporations, trusts and partnerships) over which any such person has or shares voting or investment control (such persons and entities are collectively referred as “**Beneficial Owners**”). All employees, officers, directors and consultants are responsible for ensuring compliance by their Beneficial Owners. NUVASIVE directors, employees, officers and consultants, together with their Beneficial Owners, are referred to in this policy as “**Insiders**”.

This policy generally applies to any and all transactions in NUVASIVE’s securities, including shares of NUVASIVE’s common stock (“**Common Stock**”), options to purchase Common Stock, any other type of securities, such as preferred stock, convertible debentures, warrants, other derivative securities, and puts, calls and short sales involving NUVASIVE

securities whether or not issued by NUVASIVE (such as exchange-traded put and call options) (collectively “**Company Securities**”). In addition, this policy generally applies to any and all transactions by an Insider in the securities of any other public company while the Insider is in possession of material non-public information concerning that company, which was obtained during the course of the Insider’s employment with NUVASIVE.

This policy will be posted on NUVASIVE’s intranet website. In addition, this policy will be delivered to all Insiders. Each Insider must acknowledge that he or she has received a copy and agrees to comply with the terms of this policy. This acknowledgment and agreement will constitute consent for NUVASIVE to impose sanctions for violation of this policy and to issue any necessary stop-transfer orders to NUVASIVE’s transfer agent or other agents to enforce compliance with this policy. As discussed in Section VIII, sanctions for Insiders may include disciplinary actions, including termination of employment, if NUVASIVE has a reasonable basis to conclude that its policy has been violated. Covered Persons (as defined below) may be required to certify compliance with this policy on an annual basis.

NUVASIVE may change these procedures or adopt other procedures in the future, as NUVASIVE considers appropriate in order to carry out the purposes of this policy.

### III. Insider Trading Compliance Officer

NUVASIVE shall maintain a Compliance Officer (the “**Compliance Officer**”), who is currently Jason Hannon. The Compliance Officer, in his capacity as such, will report directly to the Chief Executive Officer.

The duties of the Compliance Officer include the following:

- Administering and interpreting this policy and monitoring and enforcing compliance with all policy provisions and procedures; and
- Responding to all inquiries relating to this policy and its procedures.

### IV. Definition of “Material Non-public Information”

Information about NUVASIVE is “material” if a reasonable investor would consider it important or significant in a decision to buy, sell, or hold securities, or if the disclosure of the information would be expected to significantly alter the total mix of the information in the marketplace about NUVASIVE. In other words, material information is any type of information that could reasonably be expected to affect the market price of NUVASIVE’s securities. Both positive and negative information may be material.

**All Insiders must consult with the Compliance Officer for guidance regarding the material or non-public nature of any information he or she possesses prior to engaging in any transaction involving any Company Securities.**

While it is not possible to identify all information that would be deemed “material,” the following types of information are particularly sensitive and, as a general rule, should always be considered material:

- Financial results;
- Earnings estimates or projections (including significant changes of previously announced estimates or projections);
- Significant changes in Company operations or strategic plans;
- Potential mergers and acquisitions by the Company or sales of Company assets or subsidiaries;
- New major contracts, strategic relationships or finance sources, or the loss thereof;
- Significant actions, investigations or inquiries by regulatory bodies related to the Company or its operations or products;
- New products;
- Adverse product reports;
- Significant changes or developments in products or product defects, delays or recalls;
- Significant manufacturing or operational problems;
- Significant pricing changes in products;
- Stock splits, public or private securities/debt offerings or changes in Company dividend policies or amounts;
- Changes in senior management or the board; and
- Actual or threatened major litigation or the resolution of such litigation.

Material information is “non-public” if it has not been widely disseminated to the public through major newswire services, national news services and financial services or if the investing public has not had time to absorb the information fully. For the purposes of this policy, information will be considered public, *i.e.*, no longer “non-public,” after two full trading days following NUVASIVE’s widespread public release of the information.

## V. Prohibitions Related to Transactions in Company Securities

### A. Trading While in Possession of Material Nonpublic Information is Prohibited

An Insider may NOT engage in transactions involving a purchase or sale of Company Securities, including any offer to purchase or offer to sell, directly or indirectly through Beneficial Owners or other intermediaries, while in possession of material non-public information concerning NUVASIVE. It does not matter if there is an independent, justifiable reason for a purchase or sale, or if the Trading Window is open. Rather, if an Insider has material non-public information concerning NUVASIVE, the prohibition on trading in Company Securities applies.

The limited exceptions to these prohibitions are purchases and sales made under a Qualified Rule 10b5-1 Plan that is established in compliance with Subsection E below.

B. Prohibitions on Certain Speculative Transactions

In addition, all Insiders are subject to the following prohibitions:

- Insiders may not engage in short sales of Company Securities (sales of securities that are not then owned), including a “sale against the box” (a sale with delayed delivery).
- Insiders may not transact, on an exchange or in any other organized market, in any interest or position relating to the future price of Company Securities, including without limitation puts, calls, hedges or other derivative securities. Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. Because such hedging transactions may permit an Insider to continue to own Company Securities obtained through employee benefit plans or otherwise, but without the full risks and rewards of ownership, Insiders are prohibited from engaging in any such transactions.
- Insiders may not place standing or limit orders regarding Company Securities that last more than 48 hours.
- Company Securities pledged as collateral for a margin loan or any other loan may be sold without the Insider’s consent by the broker if the Insider fails to meet a margin call or by the lender in foreclosure if the Insider defaults on the loan. Because a margin or foreclosure sale may occur at a time when the Insider is aware of material non-public information or otherwise is not permitted to trade in Company Securities, the Insider is prohibited from pledging Company Securities as collateral for a margin loan or any other loan. An exception to this prohibition may be granted where the Insider wishes to pledge Company Securities as collateral for a loan (not including margin debt) and clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities. If an Insider wishes to pledge Company Securities as collateral for a loan, the Insider must submit a request for approval to the Compliance Officer at least two weeks prior to the proposed execution of documents evidencing the proposed pledge.

C. Trading Window Provisions

In addition to the prohibited activities referred to in Section V A and B above, among other things, all Insiders are subject to the following rules:

**1. Trading is Permitted Only During Trading Windows.** Insiders may NOT engage in transactions involving the purchase or sale of Company Securities outside of our regular quarterly Trading Windows. Thus, purchases and sales of Company Securities may only occur during an open NUVASIVE Trading Window and provided that the Insider is not in

possession of material non-public information at that time. NUVASIVE Trading Windows commence and close for Insiders in accordance with the following table:

Type of Insider	Trading Window Commencement	Trading Window Closure
Covered Persons	After the close of market on the second full trading day following NUVASIVE’s widespread public release of quarterly or year-end operating results for the prior fiscal quarter or year	The fourteenth day of the third month of that fiscal quarter
Insiders (other than Covered Persons)		The last day of the third month of that fiscal quarter

Even during an open Trading Window any Insider possessing material non-public information concerning NUVASIVE must not engage in any transactions in Company Securities until such information has been known publicly for at least two trading days. Trading in Company Securities during the Trading Window is not considered a “safe harbor,” and Insiders should use good judgment at all times.

The limited exceptions to these prohibitions are purchases and sales made under a Qualified Rule 10b5-1 Plan that is established in compliance with Subsection E below.

*Who is a Covered Person?* Under this policy, “**Covered Persons**” include all NUVASIVE directors, executive officers and other persons subject to Section 16 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), plus certain employees, that are identified by the Compliance Officer from time to time, who are reasonably expected to be in possession of material non-public information about NUVASIVE, such as all Vice Presidents and certain members of the legal and finance departments. NUVASIVE will promptly notify orally or in writing each person designated a Covered Person and shall keep a record of such persons at NUVASIVE’s headquarters.

**2. Covered Persons Must Receive Pre-Clearance for all Transactions in Company Securities.** Covered Persons must received pre-clearance of all of their transactions (including all purchases, sales, gifts, option exercises and 401(k) plan transactions) concerning Company Securities. This requirement applies even to transactions involving Company Securities that occur during an open Trading Window. The limited exceptions to these prohibitions are purchases and sales made under a Qualified Rule 10b5-1 Plan that is established in compliance with Subsection E below.

If any Covered Person wishes to engage in a transaction involving Company Securities during a Trading Window, the Covered Persons will notify the Compliance Officer in writing of the amount and nature of the proposed transaction at least two business days prior to the proposed transaction. The Covered Persons will not engage in transactions involving Company Securities unless and until the Compliance Officer provides his or her approval. The foregoing

functions of the Compliance Officer will be undertaken by the Chief Executive Officer in the case of proposed trades by the Compliance Officer. Proposed trades by the Chief Executive Officer will require approval by any of (i) the Compliance Officer or (ii) the Compensation Committee of the Board. Proposed trades by directors will require approval by the Compliance Officer.

*No Obligation to Approve Requested Trades.* The existence of the foregoing approval procedures does not in any way obligate the Compliance Officer to approve any requested transaction involving Company Securities. The Compliance Officer may reject any request in his or her discretion, subject to review by, and the discretion of, the Chief Executive Officer, and in the case of an approval request by the Chief Executive Officer, subject to review by, and the discretion of the Chairman of the Compensation Committee.

**3. No Trading During a Company Imposed Blackout Period.** NUVASIVE may from time to time prohibit Insiders from trading because of developments known to NUVASIVE and not yet disclosed to the public. No Insider may engage in transactions involving Company Securities during any such special blackout periods that the Compliance Officer may designate. The limited exceptions to these prohibitions are purchases and sales made under a Qualified Rule 10b5-1 Plan that is established in compliance with Subsection E below. A NUVASIVE imposed special blackout period may result in the Trading Window not being opened and available for trading and the blackout periods may be imposed for varying groups of Insiders, at the discretion of the Compliance Officer. No person may disclose to any outside third party that a special blackout period has been designated.

**The existence of a personal financial emergency or hardship does not excuse any Insider from compliance with this policy.**

D. Treatment of Employee Benefit Plan Transactions

1. *Stock Options.*

This policy's trading restrictions generally do not apply to the exercise of a stock option solely for cash. The trading restrictions do apply, however, to any sale of the underlying stock, and to a cashless exercise of the option through a broker, as this entails selling a portion of the underlying stock to cover the costs of the exercise. This policy's trading restrictions do not apply to the use of shares held by the Insider or otherwise deliverable to the Insider upon option exercise to pay the exercise price or any sums required by federal, state or local tax law to be withheld with respect to the issuance of shares upon exercise.

2. *Restricted Stock*

This policy's trading restrictions do not apply to grants of restricted stock by NUVASIVE, but do apply to subsequent sales of such stock. In addition, this policy's trading restrictions do not apply to the deduction by NUVASIVE from the shares of Common Stock issued under any restricted stock award to pay any sums required by

federal, state or local tax law to be withheld with respect to the issuance, vesting or payment pursuant to the restricted stock award.

E. Rule 10b5-1 Trading Plans

Rule 10b5-1 adopted by the Securities and Exchange Commission (the “SEC”) contains an affirmative defense to insider trading that is available to a person making a purchase or sale of securities who demonstrates that the purchase or sale was pursuant to a contract, plan or instruction entered into when the person was not aware of material non-public information. Such a “**Qualified Rule 10b5-1 Plan**” must be validly established in compliance with the provisions of Rule 10b5-1 and must satisfy a number of other specific criteria. Generally a Qualified Rule 10b5-1 Plan must specify the number of shares to be purchased or sold, the price(s) at which transactions are to take place, and the date(s) on which transactions are to take place. Alternatively, the Qualified Rule 10b5-1 Plan may establish an objective formula for any or all of these criteria (*e.g.*, the number of shares could be specified as a percentage of the holdings of the Insider). Any person who wishes to implement, amend or terminate a Qualified Rule 10b5-1 plan must first have the plan (or any amendment or proposal to terminate) pre-approved by the Compliance Officer. In pre-clearing the implementation, amendment or termination of a Qualified Rule 10b5-1 Plan, the Compliance Officer shall not be responsible for determining whether such plan is in compliance with the provisions of Rule 10b5-1. Compliance with Rule 10b5-1 is solely the responsibility of the Insider. The Compliance Officer may adopt policies regarding the form and terms of Qualified Rule 10b5-1 Plans from time to time.

VI. Prohibitions Related to Transactions in Other Companies’ Securities

It is common for NUVASIVE in the normal course of its business to interact with other public companies—those interactions or information concerning these other public companies may be material and accordingly, Insiders must comply with the following rules:

- Insiders may not engage in transactions involving the securities of any other public company while possessing material non-public information concerning that company which was obtained during the course of employment with NUVASIVE.
- Insiders may not “tip” or disclose material non-public information concerning any other public company to anyone.
- Insiders may not give trading advice of any kind to anyone concerning any other public company while possessing material non-public information about that company.

VII. Priority of Statutory or Regulatory Trading Restrictions

The trading prohibitions and restrictions set forth in this policy will be superseded by any contractual restrictions on the sale of securities or any greater prohibitions or restrictions prescribed by federal or state securities laws and regulations, *e.g.*, short-swing trading by Covered Persons or restrictions on the sale of securities subject to Rule 144 under the Securities

Act. Any Insider who is uncertain whether other prohibitions or restrictions apply should ask the Compliance Officer.

#### VIII. Potential Civil, Criminal and Disciplinary Sanctions

**Civil and Criminal Penalties.** The consequences of prohibited insider trading or tipping can be severe. Persons violating insider trading or tipping rules may be required to disgorge the profit made or the loss avoided by trading, pay the loss suffered by the persons who purchased securities from or sold securities to the insider tippee, pay civil penalties up to three times the profit made or loss avoided, pay a criminal penalty of up to \$5 million and serve a jail term of up to twenty years. NUVASIVE and/or the supervisors of the person violating the rules may also be required to pay severe civil or criminal penalties and could under certain circumstances be subject to private lawsuits by contemporaneous traders for damages suffered as a result of illegal insider trading or tipping by persons under NUVASIVE's control.

**Company Discipline.** Violation of this policy or federal or state insider trading or tipping laws by any Insider may subject a director to dismissal proceedings and an officer or employee to disciplinary action by NUVASIVE up to and including termination for cause. A violation of NUVASIVE's policy is not necessarily the same as a violation of law. In fact, for the reasons indicated above, NUVASIVE's policy is intended to be broader than the law. NUVASIVE reserves the right to determine, in its own discretion and on the basis of the information available to it, whether its policy has been violated. NUVASIVE may determine that specific conduct violates its policy, whether or not the conduct also violates the law. It is not necessary for NUVASIVE to await the filing or conclusion of a civil or criminal action against the alleged violator before taking disciplinary action.

**Reporting Of Violations.** Any Insider who violates this policy or any federal or state laws governing insider trading or tipping, or knows of any such violation by any other Insider, must report the violation immediately to the Compliance Officer. Upon learning of any such violation, the Compliance Officer, in consultation with NUVASIVE's Chief Executive Officer, legal counsel and the Disclosure Committee (in the case of a Regulation Fair Disclosure violation of unintentional disclosure) will determine whether NUVASIVE should release any material non-public information or whether NUVASIVE should report the violation to the SEC or other appropriate governmental authority.

#### IX. Prohibition Against Disclosing Material Nonpublic Information to Others

No Insider may disclose material non-public information concerning NUVASIVE to any outside person (including Beneficial Owners, customers, suppliers, analysts, investors and members of the investment community and news media), unless required as part of the regular duties of such employee, officer or director and in accordance with NUVASIVE's Regulation Fair Disclosure Policy. All inquiries from the press, investment analysts or others in the financial community about NUVASIVE must be forwarded to the appropriate officer, which may be the Chief Financial Officer, Chief Executive Officer, General Counsel, Executive Director, Investor Relations and Corporate Communications or other appropriate employee who may be designated by NUVASIVE's Disclosure Committee. Accordingly, when an inquiry is



made by a securities analyst, reporter or other outsider, in general it is appropriate to direct the inquiry to NUVASIVE's Chief Financial Officer.

**Insiders are also prohibited from giving trading advice of any kind regarding Company Securities to anyone.**

X. Procedures and Policies Governing Unauthorized Communications

Under applicable state law, employees owe their employer a fiduciary duty which includes maintaining confidences. In addition, as a condition to their employment by NUVASIVE, they were required to sign a confidentiality agreement prior to the commencement of their employment. Securities laws prohibit the disclosure of "insider" or material, non-public information. Even if employees do not intend to or are not aware of doing so, employees may inadvertently disclose confidential or insider information by discussing NUVASIVE or its activities in public.

A. Internet Message Boards and Other Electronic Media

Insiders should not use any Internet message board, chat rooms, bulletin boards, blogs or similar medium available to the public to post any unauthorized messages regarding NUVASIVE, its business, financial condition, products, employees, clients, customers, business ventures, competitors or other matters related to NUVASIVE. Any Insider who does so *may be subject to disciplinary action up to and including termination of employment, in the case of employees, and may be subject to civil and criminal liability under federal and state securities laws.* In addition, these activities may be harmful to NUVASIVE to the extent that NUVASIVE could be forced to disclose inside information at a time when it was disadvantageous to do so.

As a general matter, it is best to follow the advice of many Internet service providers: "Never assume people are who they say they are, know what they say they know, or are affiliated with whom they say they are affiliated with." Any information or statements made in message board postings should not be construed to be authorized or condoned by NUVASIVE or relied on as accurate information.

In short, Insiders should not respond to rumors, statements or message board, chat room, bulletin board, or blog postings regarding NUVASIVE, its business, financial condition, products, employees, clients, customers, business ventures, competitors, or other matters related to NUVASIVE. All information regarding NUVASIVE should only be disseminated by NUVASIVE through its authorized spokespersons. All inquiries or requests for information about NUVASIVE, including inquiries regarding any rumors, seeking a Company response to any statements made about NUVASIVE or requesting confirmation of NUVASIVE's policies, position or practices regarding any matter should be referred to one of NUVASIVE's spokespersons.

B. Use of Equipment

Insiders may not use any NUVASIVE telecommunications and information systems equipment to disseminate any unauthorized messages regarding NUVASIVE, its business,

financial condition, products, employees, clients, customers, business ventures, competitors or other matters related to NUVASIVE. Any Insider who does so *may be subject to disciplinary action up to and including termination of employment, in the case of employees, and may be subject to civil and criminal liability under federal and state securities laws.*

All information concerning NUVASIVE's business operations captured in a reproducible form ("**Records**"), including without limitation, all written and electronic records created in the ordinary course of conducting NUVASIVE' business, are considered NUVASIVE's property. All communications and data transmitted by, received from or stored in any computers or electronic systems furnished by NUVASIVE are at all times the property of NUVASIVE. By using any computer or electronic system furnished by NUVASIVE, Insiders relinquish any right to privacy in any Records created thereon.

The telecommunications and information systems equipment of NUVASIVE, *e.g.*, telephones, voice mail, email, computers, are intended to be used for legitimate job-related purposes. Personal use should be kept to a minimum. All messages and information in NUVASIVE's telecommunications and information systems are the property of NUVASIVE. Insiders should be aware that the documents they create using their computers, their voice mails, text messages and emails are stored in NUVASIVE's telecommunications and information systems. Please note that NUVASIVE regularly monitors that information or those records. NUVASIVE may also be compelled to produce these records in litigation. Insiders should note that all emails sent through the Internet display NUVASIVE's return address and therefore should follow Company guidelines.

Each Insider is personally accountable for any communication they originate or send using NUVASIVE's telecommunications or information systems. Attempts to mislead or disguise the identity of the sender are prohibited.

#### XI. Inquiries About this Policy

Please direct all questions as to any matters discussed in this policy to the Compliance Officer.

## ACKNOWLEDGEMENT FORM

I, the undersigned and an employee, consultant or director of NUVASIVE, Inc. (“NUVASIVE”), hereby certify and represent to NUVASIVE that I have received, read, and understand the NUVASIVE Insider Trading Policy (the “Policy”). I further certify that I have complied with, and I agree in the future to comply with, the Policy in its entirety, including, if I am a Covered Person (as defined in the Policy), obtaining pre-clearance prior to any trades in any Company Securities (as defined in the Policy).

Signature: \_\_\_\_\_

Print name: \_\_\_\_\_

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

\*\*\* Please sign and return this page (11 of 11) \*\*\*