

POKERTEK, INC.

Policy Statement on the Prevention of Insider Trading

Adopted by the Board of Directors on July 29, 2005

Last Modified: March 23, 2010

In the normal course of business, officers, directors, and employees of PokerTek, Inc. (the "Company") may come into possession of significant, sensitive information. In the eyes of the law, this information is considered the property of the Company; you have been entrusted with it. In particular, you may not seek to profit from it by buying or selling securities yourself or by passing on the information to others to enable them to profit. The purpose of this policy statement is both to inform you of your legal responsibilities in this area and to make clear to you that the misuse of sensitive information is contrary to Company policy and will be dealt with severely.

Insider trading is a crime punishable by fines of up to \$5,000,000 and 20 years in jail for individuals. In addition, the Securities and Exchange Commission (the "SEC") may seek to impose on the violator a civil penalty of up to three times the profits made or losses avoided from the trading. Violators must also disgorge any profits made and are often subject to an injunction against future violations. Finally, under some circumstances, violators may be subjected to civil liability in private lawsuits.

Employers and other controlling persons (including supervisory personnel) are also at risk under federal law. Controlling persons may, among other things, face penalties of the greater of \$1,000,000 or three times the profits made or losses avoided by the violator if they recklessly fail to take preventive steps to control insider trading.

Thus, it is important both to you and the Company that no insider trading violations occur. You should be aware that stock market surveillance techniques are exceptionally sophisticated, and the SEC and other regulatory authorities can identify all parties to every stock trade. The SEC's budget has been increased greatly in recent years, and the chance that federal authorities will detect and prosecute even small-level trading is significant. The risk is simply not worth taking.

The Insider Trading Laws

As a director or as an officer or other employee or as a contractor, you may not seek to benefit personally by buying or selling securities while in possession of material, nonpublic information that you have learned in connection with your employment with or service to the Company. This rule applies, of course, to trading in our own securities (whether common stock, stock options or any other Company security). However, it also applies to trading in the securities of other companies if you learn something in the course of your employment or relationship with us that might affect their value. For instance, if you learned that we were about to enter into a major contract with ABC Corporation, it would probably be an insider trading violation to buy ABC securities. Even if you learned something about ABC while on a sales call to ABC, buying or selling ABC stock might well be considered illegal. The insider trading rules apply both to securities purchases (to make a profit based on good news) and securities sales (to avoid a loss based on bad news).

If the typical person would likely consider particular information to be important in deciding whether to buy, sell, or hold a security, then that information is "material." If you learn something that leads you to

want to buy, sell, or hold securities, that information probably will be considered material. It is important to keep in mind that material information need not concern an event that is certain to occur. Information that something is likely to happen, or even just that it may happen, can be considered material. For example, information that a company is a possible acquisition target is material very early in the acquisition process, well before the parties to the proposed acquisition agree to specific terms. Federal courts in insider trading cases have held information to be material where an acquirer has merely commenced an internal process to determine the desirability of pursuing a target. Keep in mind also that the SEC takes the view that, except in limited, specifically defined circumstances, the mere fact that you know the information is enough to bar you from trading; it is generally no excuse that your reasons for trading were not based on that information. Other examples of material insider information may include: information concerning antitrust charges, threats of litigation, financial results, income projections, labor disputes, key personnel changes, possible initiation of a proxy fight, major new products or services, and significant shifts in operating or financial circumstances, such as major write-offs.

“Nonpublic” information is any information that is not reasonably available to the investing public. Once the Company releases information through public channels (for instance, a press release), it typically takes a few additional days for it to be broadly disseminated. During the time between public release and broad dissemination (two full business days is a good rule of the thumb), information is considered nonpublic.

Besides your obligation to refrain from trading while in possession of material, nonpublic information, you are also prohibited from “tipping” others. The concept of unlawful tipping includes passing on information to friends, family members, or others under circumstances that suggest that you were trying to help them make a profit or avoid a loss. When tipping occurs, both the “tipper” and the “tippee” may be held liable; this liability may extend to all those to whom the tippee in turn gives the information. There are many instances in which only a small group of employees is privy to secret information. In such cases, those in possession of the information should avoid leaking it even to other employees. Besides being considered a form of insider trading, of course, tipping is also a serious breach of corporate confidentiality. For this reason, you should be careful to avoid discussing sensitive information in any place where such information may be heard by others (for instance, at lunch, on public transportation, in elevators).

General Policy

Because insider trading liability operates as a threat to both you and the Company, it is contrary to Company policy to engage in any activity that would be considered unlawful trading or tipping under the securities laws. This policy applies to trading in Company securities as well as the securities of another company while in possession of material nonpublic information about the Company (or, as applicable, the other company) acquired as a result of your employment or relationship with us. In addition, because courts have treated the concept of materiality in the context of acquisitions so expansively, to avoid the appearance of impropriety you are prohibited from trading in the securities of any company which you reasonably believe is a prospective target for acquisition by the Company.

Trading is also prohibited during any special blackout periods that the Company may designate. In addition, disclosure to an outside third party that a special blackout period has been designated is prohibited.

It is also Company policy that any investments you make in Company securities or the securities of any company that has a significant relationship with us be on a “buy and hold” basis. Active trading, “day trading,” and short-term speculation are improper and prohibited. In addition, we believe that

transactions involving exchange-traded options or other derivative instruments, including put and call options, may, in many instances, create the appearance of an employee “betting against the Company” or otherwise engaging in short-term speculation and that the substantial leverage attendant to these instruments creates a significant enticement for abusive trading. Therefore, trading in derivative instruments involving securities of the Company or any company that has a significant relationship with us is prohibited, regardless of its intended purpose.

The prohibitions and restrictions outlined in this policy apply to officers, directors, and employees of the Company and its subsidiaries and to their Related Persons (collectively “Covered Parties”). Your “Related Persons” include your spouse, minor children, and other persons living in the same household with you, any trust of which you are a trustee, any estate of which you are an executor, and any corporation or other entity that you control, directly or indirectly.

Directors and executive officers of the Company and other officers with the title “Vice President” and above and other specified individuals with regular access to material, undisclosed information about the Company (collectively, “Designated Insiders”) are also subject to the additional requirements set forth below under the heading “Additional Restrictions; Preclearance.”

Persons violating this policy will be subject to immediate disciplinary action, up to and including dismissal from the Company.

If you become aware that any person subject to this policy is violating or about to violate it, you must report that information immediately by contacting the Company’s Chief Executive Officer or by calling the PokerTek Values Line. The PokerTek Values Line, a confidential service administered by Global Compliance, an independent third party, is a resource for any PokerTek employee to report concerns regarding potentially illegal or unethical matters in the workplace. All calls to the hotline go directly to Global Compliance and are anonymous. The toll free number for the hotline is (888) 475-8376.

For guidance or further information about this policy, contact the Company’s Chief Executive Officer.

Additional Restrictions Applicable to Certain Individuals

Trading Window Requirement

It is the policy of the Company that no Covered Party may engage in any transaction involving stock or other securities of the Company except during any “window” period commencing two business days following public announcement of the Company’s operating results for the immediately preceding fiscal quarter and the end of the current calendar quarter. The Company may delay the opening of or close the trading window at any time in light of significant positive or negative events involving the Company. The Company’s Chief Executive Officer will notify all directors, officers, and employees of the Company by email or other means of any modifications to the normal trading window period.

The Company’s Chief Executive Officer may approve exemptions to this restriction only for compelling reasons and only after a thorough review of the particular facts and circumstances that results in the determination that no insider trading liability concerns are present. Approval of exemptions must be in writing.

Preclearance

In addition, it is the policy of the Company that each Designated Insider must consult with the Company's Chief Executive Officer before he or she or any member of his or her immediate family engages in any transaction involving stock or other securities of the Company (including but not limited to the purchase, sale, pledge, or gift of such securities) in order to ensure that the proposed transaction would not either result in short-swing profit liability or, due to its timing in relation to significant events affecting the Company, otherwise create the appearance of impropriety. If the Company's Chief Executive Officer determines that a proposed transaction might be viewed as improper or deemed a violation of the insider trading laws, then the transaction shall not take place.

Rule 10b5-1 Plans

The trading window and the preclearance requirement do not apply to transactions carried out by an officer or director pursuant to a Rule 10b5-1 Plan, as described below. However, such a plan must itself be approved as set forth below.

SEC Rule 10b5-1 provides protection from insider trading liability under Rule 10b-5 for transactions under a previously established contract, plan, or instruction to which the insider is irrevocably committed. The rule presents an opportunity for officers and directors to establish arrangements pursuant to which they can sell or purchase Company securities even when they may possess undisclosed material information. The arrangements may include blind trusts, prescheduled stock option exercises and sales, pre-arranged trading instructions, and other brokerage and third-party arrangements. The Company's insider trading policy permits transactions by officers and directors that comply with Rule 10b5-1 if they are undertaken in compliance with the procedures described below.

The Company's Chief Executive Officer must pre-approve in writing any plan, arrangement, or trading instructions involving potential sales or purchases of stock or option exercises and sales, etc. (including, but not limited to, blind trusts, discretionary accounts with banks or brokers and limit orders) designed to comply with the rule (a "Rule 10b5-1 Plan"). In addition, each Rule 10b5-1 Plan must be offered and administered by a broker or other sponsor previously approved in writing by the Company's Chief Executive Officer. Actual transactions effected pursuant to a pre-approved Rule 10b5-1 Plan will not be subject to the preclearance procedures for transactions in Company securities or to the trading window.

In approving a Rule 10b5-1 Plan, which must be in writing, the Company's Chief Executive Officer must determine that the plan complies with Rule 10b5-1 and will not otherwise create an appearance of impropriety. The Company's Chief Executive Officer must also ensure that at the time a Rule 10b5-1 Plan is entered into (or at any time an officer or director wishes to terminate or modify a previously adopted Rule 10b5-1 Plan) there is no material information about the Company that has not been publicly disclosed. The Company's Chief Executive Officer may also require that there be an interval between establishment of a Rule 10b5-1 Plan and the first transaction thereunder and may specify other requirements regarding the timing of transactions under a Rule 10b5-1 Plan.

The Company's Chief Executive Officer must also be satisfied that a Rule 10b5-1 Plan includes appropriate procedures to ensure compliance with SEC Rule 144 and Section 16 of the Exchange Act and provides for cessation of sales during pooling lock-up periods in the event of a merger or acquisition or other periods when a lock-up is imposed on insiders.