

Introduction

Hedging or monetization transactions can be accomplished through a number of possible mechanisms, including, but not limited to, through the use of financial instruments such as exchange funds, prepaid variable forwards, equity swaps, puts, calls, collars, forwards and other derivative instruments, or through the establishment of a short position in the Company's securities. Such hedging and monetization transactions may permit a Section 16 Officer or director to continue to own the securities of Cerner Corporation (the "**Company**") obtained from the Company as compensation, through Company's benefit plans or otherwise, but without the full risks and rewards of ownership. When that occurs, it may diminish the alignment of interests the Section 16 Officer or director has with the Company's other stockholders. Also, securities held in a margin account as collateral for a margin loan may be sold by the broker without the customer's consent if the customer fails to meet a margin call. Similarly, securities pledged (or hypothecated) as collateral for a loan may be sold in foreclosure if the borrower defaults on the loan. This creates concern because a margin sale or foreclosure sale may occur at a time when the pledgor is aware of material nonpublic information or otherwise is not permitted to trade in the Company's securities.

Objectives

The objectives of this Hedging and Pledging Policy ("**Policy**") are to: (1) prohibit the Company's Section 16 Officers and directors from directly or indirectly engaging in hedging or monetization transactions, through transactions in the Company's securities or through the use of financial instruments designed for such purpose; and (2) prohibit Section 16 Officers and directors from engaging in short-term or speculative transactions in the Company's securities that could create heightened legal risk and/or the appearance of improper or inappropriate conduct.

Applicability

This Policy applies to all of the Company's Section 16 Officers and directors. The Term "Section 16 Officer" refers to each person deemed to be an "officer" under Rule 16a-1(f) of the Exchange Act that is required to file with the U.S. Securities and Exchange Commission various forms indicating their ownership of or transactions in the Company's securities. The Securities Watch Team, as defined under the Company's [Covered Persons Trading Policy](#) ("SWT"), may determine whether the policy should apply to other individuals, including consultants and contractors to the Company.

Policies

Hedging. The Company's Section 16 Officers and directors may not engage in any hedging or monetization transactions with respect to the Company's securities, including, but not limited to, through the use of financial instruments such as exchange funds, prepaid variable forwards, equity swaps, puts, calls, collars, forwards and other derivative instruments, or through the establishment of a short position in the Company's securities. Further, the Company's Section 16 Officers and directors may not engage in any short sale of any of the Company's securities.

Margin Accounts and Pledged Securities. Section 16 Officers and directors are prohibited from holding securities acquired from the Company as compensation or pursuant to a bonus or benefit plan (the "**Shares**") in a margin account. Also, commencing with the adoption of this Policy,^[1] Section 16 Officers and directors shall not pledge more than 50% of such Shares as collateral for a loan (not including margin debt) without prior approval of the SWT. The SWT may permit the pledge of Shares in excess of 50% of such pledgor's beneficial ownership where a person covered by this Policy wishes to pledge the Shares 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. Pledging of Company securities in conjunction with hedging transactions is prohibited as described above.

Adopted by the Cerner Corporation Board of Directors 9.9.16

[1] Prior to any adoption of this Policy, Section 16 Officers and directors were permitted to include Cerner securities in margin accounts or pledge Cerner securities as collateral for a loan. Such individuals remain subject to the requirement that they undertake to prevent the sale of those Cerner securities at any time when such individuals would have been prohibited from trading pursuant to the Company's [Covered Persons Trading Policy](#).

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