

## Policy 8.6

# Insider Trading

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### **POLICY GUIDELINES**

For ease of use, references in this policy to the "Company" mean Taubman Centers, Inc. ("TCO") and its direct and indirect subsidiaries and affiliates, including without limitation The Taubman Realty Group Limited Partnership ("TRG") and The Taubman Company LLC.

U.S. federal securities laws prohibit the purchase or sale of securities of a company by persons aware of material, nonpublic information about such company, or the disclosure of material nonpublic information about a company to other persons who then trade in its securities (together referred to herein as "insider trading"). Insider trading violations are pursued vigorously by regulatory authorities and sanctions can be severe. Those subject to sanctions include the persons illegally trading, persons who tip material nonpublic information to other persons who illegally trade, and potentially companies and other controlling persons if they fail to take reasonable steps to prevent insider trading.

TCO recognizes that the Company's directors, officers and other employees will invest in and hold securities of TCO and encourages them to do so as a long-term investment. However, in order to insulate the Company and such persons from sanctions for insider trading, as well as to prevent any appearance of improper conduct by any such persons, TCO has adopted this Insider Trading policy.

### **PERSONS SUBJECT TO INSIDER TRADING POLICY**

This policy covers directors, officers, and all other employees of the Company, as well as any other person having access to material nonpublic information of the Company, including any contractors or consultants to the Company. This policy also applies to the foregoing persons' family members or others who reside with them, and any other persons or entities whose securities transactions are directed by the foregoing persons or subject to their influence or control. Collectively, these persons are referred to herein as "Covered Persons."

Any Designated Employee of the Company (the Company's Chairman, President, Chief Financial Officer, Chief Operating Officer, employees reporting directly to them, and certain other employees of the Company and its affiliates designated by the President or Chief Financial Officer) or member of TCO's Board of Directors ("Director") should also see "Window Periods Applicable to Directors and Designated Employees" below. **Directors and Designated Employees must check with the Company's General Counsel prior to any and all trading in TCO securities subject to this policy.** The Company's Human Resources Department maintains a current list of Designated Employees. Employees are notified once they are added to the list and become a Designated Employee. Although employees who are not Designated Employees and are not aware of material nonpublic information are generally free to purchase or sell TCO securities at any time, we urge all employees to limit their purchases or sales to the "window periods" set forth in "Window Periods Applicable to Directors and Designated Employees" below.

This policy continues to apply to one's transactions in TCO securities even after he or she has terminated employment with the Company or no longer serves as a director on TCO's Board of Directors, until such time such person no longer has any material nonpublic information related to his or her employment with the Company or due to his or her service on TCO's Board.

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## **POLICY STATEMENT GENERALLY**

Except for the limited exceptions set forth below, any Covered Person who is aware of material nonpublic information relating to the Company may not, directly or indirectly through other persons or entities, (a) buy or sell securities of TCO, or engage in any other action to take personal advantage of such information or (b) provide such information, or recommend any transaction in TCO securities, to any other persons or entities outside of the Company (including through “anonymous” communications through the internet or elsewhere). The Company also prohibits Covered Persons from engaging in transactions in TCO securities for speculative purposes. See “Additional Prohibited Transactions” below.

In addition, all Covered Persons who learn of material nonpublic information about a company with which the Company does or may do business, including any tenants, prospective tenants or joint venture partners, in the course of working for the Company, may not trade in that company’s securities until the information becomes public or is no longer material. Any such material nonpublic information has been shared with the Company with the understanding that such information is only to be used to facilitate the relationship between the Company and the third party and may not be used for any other purpose. Employees are strictly prohibited from misappropriating any such material nonpublic information to trade in the securities of such third party or otherwise, and are obliged to keep all such information confidential, sharing it only as necessary to promote the mutual goals of the Company and such third party.

## **SECURITIES TRANSACTIONS SUBJECT TO THIS POLICY**

Subject to the limited exceptions below, transactions in all TCO securities are subject to this policy, including without limitation common stock, preferred stock, options issued to employees, investments in the Taubman Centers Stock Fund (an investment option under The Taubman Company and Related Entities Employee Retirement Savings Plan (the “401k Plan”)), and debt securities (including bonds and notes). Transactions that may be necessary or justifiable for personal reasons, such as the need to raise money for an emergency expenditure, are not excepted from this policy.

### **Limited Exceptions**

*Option Exercises.* This policy does not apply generally to the exercise of an option, including a cashless exercise solely through the Company or the exercise of a tax withholding right to satisfy tax withholding requirements. However, this policy does apply to any sale of the stock received upon exercise of the option, including any deemed sale caused by an employee’s election to make a cashless exercise of his or her option through a broker, or any other market sale for the purpose of generating the cash necessary to pay the option exercise price.

*401(k) Plan.* This policy does not apply to purchases of TCO stock in the 401k Plan (through the Taubman Centers Stock Fund) resulting from periodic contributions of money pursuant to a payroll deduction election previously made. However, this policy does apply to certain elections made under the 401(k) Plan, including (a) an election to increase or decrease the percentage of periodic contributions that will be allocated to the Taubman Centers Stock Fund, (b) an election to make an intra-plan transfer of an existing account balance into or out of the Taubman Centers Stock Fund, (c) an election to borrow money against one’s 401(k) Plan account if the loan may result in a liquidation of some or all of the Taubman Centers Stock Fund balance and (d) an election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the Taubman Centers Stock Fund.

*Rule 10b5-1 plans.* Rule 10b5-1 of the Securities Exchange Act of 1934 provides an affirmative defense from insider trading liability under Rule 10b5. If the plan meets the requirements of Rule 10b5-1, TCO securities may be purchased or sold without regard to certain insider trading restrictions. A Rule 10b5-1 plan must be entered into at a time when such person is not aware of any material nonpublic information. The plan must either specify the amount, pricing and/or timing of the transactions in advance or delegate discretion for one or more of such matters to a third party. Once the plan is adopted, the person must not exercise any influence over such trade instructions, subject to limited exceptions. To comply with this policy, a Rule 10b5-1 trading plan must be approved in advance by the Company's General Counsel.

*Tender of TRG Units of Partnership Interest and Series B Preferred Stock.* This policy does not cover the tender of TRG Units of Partnership Interest and TCO Series B Preferred Stock in exchange for shares of TCO common stock in accordance with TCO's continuing offer to specified holders of TRG Units of Partnership Interest. Please note that the TCO common stock received in such exchange is subject to this policy.

## **"MATERIAL NONPUBLIC INFORMATION"**

Materiality. Information is considered "material" if it is likely that a reasonable investor would consider it important in arriving at a decision to buy, sell or hold TCO securities, whether such information is positive or negative. Examples of information that may be deemed material include, whether proposed, pending or having already occurred:

- a dividend increase or decrease, a change in dividend policy or the declaration of a dividend;
- the financial and operational results from a previously completed quarter or year;
- an earnings estimate;
- a change in or confirmation of a previously announced earnings estimate;
- a significant expansion or curtailment of operations;
- a significant increase or decrease in business;
- a merger, acquisition or disposition relating to significant asset(s);
- a borrowing outside the ordinary course or a significant change in the terms of debt;
- a tender offer;
- a securities offering or repurchase;
- a regulatory or litigation proceeding;
- a liquidity change; or
- a significant change in management.

This list is not exhaustive; other types of information may be material at any particular time, depending on the circumstances. Keep in mind that any review of a person's transactions will be completed after the fact, with the benefit of hindsight.

Nonpublic Information. Nonpublic information means that such information has not been broadly disclosed to the marketplace, such as by press release or a filing with the Securities and Exchange Commission, and/or the investing public has not had time to absorb the information fully. The amount of elapsed time that is sufficient will vary depending upon the nature and significance of the information. Generally, the second

business day following the day the information is released should allow the market sufficient time to assimilate newly disclosed information. For example, if TCO were to make an announcement of material nonpublic information on a Monday, Covered Persons would be prohibited from trading in TCO securities until Wednesday.

## **ADDITIONAL PROHIBITED TRANSACTIONS**

The Company considers it improper and inappropriate for any Covered Person to engage in short-term or speculative transactions in TCO securities. Therefore, Covered Persons may not engage in any of the following transactions:

**Short Sales.** Short sales (a sale of securities which are not then owned) of TCO securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of TCO securities are prohibited by this policy. In addition, Section 16(c) of the Securities Exchange Act of 1934 prohibits directors and executive officers from engaging in short sales.

**Standing Orders.** Standing orders (except under approved Rule 10b5-1 plans, see above) should be used only for a brief period of time. The problem with purchases or sales resulting from standing instructions to a broker is that there is no control over the timing of the transaction. The broker could execute a transaction when a person is in possession of material nonpublic information.

**Publicly Traded Options.** A transaction in options (other than options granted under a Company stock option plan) is, in effect, a bet on the short-term movement of TCO stock and therefore creates the appearance that the Covered Person is trading based on inside information. Transactions in options also may focus the Covered Person's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls or other derivative securities, on an exchange or in any other organized market, are prohibited by this policy.

**Hedging Transactions.** Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow a Covered Person to lock in much of the value of his or her stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow for the Covered Person to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the Covered Person may no longer have the same objectives as the Company or other TCO shareholders. Therefore, these types of transactions are prohibited by this policy.

**Margin Accounts and Pledges.** A person desiring to hold TCO securities in a margin account or pledge TCO securities as collateral for a loan, or materially amending an existing margin account or pledge, must notify the Company's General Counsel prior to taking such action. Securities held in a margin account 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. 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 TCO securities, Covered Persons should exercise caution in holding TCO securities in a margin account or pledging the TCO securities as collateral for a loan. A person desiring to hold TCO securities in a margin account or pledge TCO securities as collateral for a loan should have the financial capacity to repay the loan without resort to the margin or pledged securities.

Other. This policy prohibits the use of derivative securities to separate any financial interest in TCO securities from the related voting rights. In addition, to prevent any appearance of improper conduct by any Covered Persons, this policy prohibits any transaction in TCO securities where a reasonable investor would conclude that such transaction is for short-term gain or is speculative.

## **WINDOW PERIODS APPLICABLE TO DIRECTORS AND DESIGNATED EMPLOYEES**

In addition to the restrictions set forth above, all directors and Designated Employees may only purchase or sell TCO securities within the designated "window periods" set forth below, unless such person has pre-cleared the transaction with the Company's General Counsel. Such pre-clearance will rarely be given and should not be requested unless a hardship or unusual circumstance exists or is threatened. Although employees who are not directors or Designated Employees and are not aware of material nonpublic information are free to purchase or sell TCO securities at any time, we urge all employees to limit their purchases or sales to the "window periods" described below.

Generally, each "window period" begins on the third trading day following TCO's issuance of a press release disclosing quarterly or annual financial results and expires on the close of the 25th day of the last month of the current quarter (i.e., the 25th of March, June, September and December of each year). Occasionally, the Company may determine that "window periods" are unavailable or will be delayed, and such determination may or may not be communicated to Designated Employees. **Therefore, even if the "window period" is open, directors and Designated Employees must check with the Company's General Counsel prior to any and all trading in TCO securities subject to this policy.**

See "Securities Transactions Subject to This Policy," above, for a discussion of option exercises and transactions in the 401(k) plan; to the extent the policy applies to such matters, such transactions can only occur during window periods. In addition, gifts are permitted to be made outside the window period, but only if such person obtains assurance that the recipient will not sell such securities prior to the next window period (in which case, such recipient may sell anytime thereafter). Further, regular reinvestment in TCO's dividend reinvestment plan is permitted outside of the window period.

## **SECTION 16/FORM 144 RULES APPLICABLE TO DIRECTORS AND CERTAIN EXECUTIVE OFFICERS**

Section 16. The Company's directors and certain of its executive officers are subject to the provisions of Section 16 of the Securities Exchange Act of 1934 with respect to TCO equity securities (including derivatives related thereto), which among other things prohibits such persons from engaging in any non-exempt sale transaction within six months of any non-exempt purchase transaction. Penalties for violation include among other things the recovery by the Company of the "short-swing" profits.

Further, any change in such person's pecuniary interest, directly or indirectly (including one's spouse, children and relatives sharing one's household, as well as other entities such as trusts, corporations, and partnerships in which such person has an interest), in any TCO equity securities (including derivatives related thereto) must be reported to the Securities and Exchange Commission on a Form 4 within two business days of the change. Even a change in the nature of one's ownership, e.g., from direct to indirect, must be reported, despite the fact that there is no net change. Although the Company's General Counsel and outside counsel will assist reporting persons in preparing and filing the required reports, the reporting persons retain responsibility for the reports.

In order to monitor compliance with the foregoing and therefore protect the interests of the Company and its Section 16 filers, the Company requires each such person to fill out a monthly certificate to confirm that any and all changes in such person's pecuniary interest in TCO equity securities (including derivatives related thereto) have been reported properly.

Form 144. The Company's directors and its executive officers who are subject to the provisions of Section 16 of the Securities Exchange Act of 1934 are also required to file a Form 144 with the Securities and Exchange Commission before making certain open market sales of TCO securities. Form 144 notifies the Securities and Exchange Commission of one's intent to sell such securities. This form is generally prepared and filed by one's broker and is in addition to the Section 16 reports filed on such person's behalf.

## **ENFORCEMENT**

**Any employee who violates this policy may be subject to disciplinary action, up to and including termination, and any such violation may expose the Company and the violator to both civil and criminal penalties under the law.**

## **RESPONSIBILITY**

The administration and monitoring for compliance of this policy shall be the responsibility of the Legal and Human Resources Departments and all managers of the Company. The Legal Department is responsible for interpreting this policy.

Ultimately, the responsibility for adhering to this policy and avoiding unlawful transactions (or the appearance of unlawful transactions) rests with each individual.