

MICROSTRATEGY INCORPORATED
Second Amended and Restated Treasury Reserve Policy

This Second Amended and Restated Treasury Reserve Policy (“**Policy**”) sets out certain roles, responsibilities, and practices for managing all Treasury Reserve Assets (as defined below). This Policy is applicable to all MicroStrategy executive officers, members of the Board (as defined below), and Authorized Employees (as defined below).

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I. Scope

This Policy helps address legal requirements and business risks that may apply to the Company's management of Treasury Reserve Assets ("**Reserve Management**"), with a focus on bitcoin ("**BTC**") as the Company's primary Treasury Reserve Asset. For purposes of this Policy:

- "**Treasury Reserve Assets**" means:
 - a. That portion of the Cash Assets (as defined below) held by MicroStrategy Incorporated ("**MicroStrategy**") and its subsidiaries (MicroStrategy, together with its subsidiaries, the "**Company**") that exceeds the Working Capital Threshold (as defined below), if any, plus
 - b. any BTC held by the Company, other than BTC held or used by the Company principally for research or development, the offering of a product or service, or other similar purpose.
- "**Cash Assets**" means cash (whether denominated in U.S. dollars or other sovereign currencies, including any borrowed cash ("**Cash**")), cash equivalents, and short-term investments.

MicroStrategy's Board of Directors (the "**Board**") has authorized [Redacted] and [Redacted] (each a "**Designated Officer**" and collectively, the "**Designated Officers**") to, among other things, manage the Company's Treasury Reserve Assets, subject to the oversight by the [Redacted] Committee of the Board (the "[Redacted] Committee") with the objective of holding a majority of the Treasury Reserve Assets in BTC, which has been designated to be the Company's primary Treasury Reserve Asset, subject to market conditions and anticipated needs of the business for Cash Assets. All transactions (as defined below) in connection with the Company's Reserve Management must be conducted pursuant to this Policy.

All written approvals required by this Policy may be provided via email. All such approvals provided by members of the [Redacted] Committee will be deemed formal actions by the [Redacted] Committee in accordance with this Policy.

II. Personnel and Responsibilities

A. Designated Officers

MicroStrategy's Designated Officers are responsible for:

- overseeing the Company's execution of its Reserve Management activities and the implementation and enforcement of this Policy;
- evaluating and approving decisions pertaining to the Company's Reserve Management (such as amounts, timing, and pricing of acquisitions and dispositions of BTC);
- regularly consulting with the [Redacted] Committee, and providing updates to the Board and other members of MicroStrategy's management team, regarding Reserve Management activities and this Policy's implementation; and
- delegating Reserve Management duties to authorized Company employees ("**Authorized Employees**") as appropriate and overseeing the performance of such delegated duties.

The Designated Officers retain and may continue to exercise their authority notwithstanding any delegation of authority to an Authorized Employee and may perform any of the duties assigned to Authorized Employees under this Policy.

Except for matters requiring the approval of the [Redacted] Committee, or unless otherwise specified, the Designated Officers, acting jointly, may make all decisions and determinations under this Policy.

B. [Redacted]

MicroStrategy's [Redacted] ("[Redacted]") will consult with the Designated Officers regarding the implementation and enforcement of this Policy.

C. Authorized Employees

Authorized Employees are responsible for:

- reviewing and understanding this Policy;
- carrying out the Reserve Management duties delegated to them by Designated Officers under this Policy;
- helping detect and prevent any fraudulent or illegal conduct with respect to Reserve Management;
- attending any required training relating to the implementation of this Policy; and
- helping to maintain the Company's ongoing compliance with this Policy.

Exhibit A contains a list of Authorized Employees, which the Designated Officers may amend or supplement at any time and from time to time.

III. Threshold for Working Capital

Because the Company's ability to meet its day-to-day working capital requirements is of paramount importance, the Company will seek to maintain adequate Cash Assets to meet those requirements.

The Company has deemed it appropriate to maintain Cash Assets of at least US\$[Redacted] to meet the day-to-day working capital requirements of the business (the "**Working Capital Threshold**"). Accordingly, only Cash Assets held by the Company above and beyond the Working Capital Threshold are eligible to be treated as Treasury Reserve Assets.

The Working Capital Threshold is a precautionary threshold for calculating Treasury Reserve Assets available for investment in BTC, and as such, it does not affect other Company policies or procedures unless specifically stated, including policies and procedures relating to the Company's Cash Assets.

Board approval is required to adjust the Working Capital Threshold.

IV. Transactions Requiring [Redacted] Committee Approval

Unless otherwise indicated, "**transaction**" means any acquisition, disposition or other transaction, including any pledge or encumbrance, of BTC as part of the Company's Reserve Management.

The Designated Officers will not, without the prior written approval of the [Redacted] Committee, cause the Company to engage or participate in any of the following transactions (such transactions, "**Designated Transactions**"):

- the acquisition of BTC by the Company;

- the disposition of BTC that is held or otherwise beneficially owned by the Company;
- the transfer of BTC from one Permitted Custodian to another Permitted Custodian;
- the lending, pledging, staking or otherwise encumbering of BTC that is held or otherwise beneficially owned by the Company; or
- the purchase or sale of any option, warrant, convertible security, BTC appreciation right, or similar right with an exercise or conversion privilege at a price related to BTC, or similar securities with a value derived from the value of BTC.

Notwithstanding the above, the Designated Officers are authorized to (i) cause the Company to acquire up to \$[Redacted], in the aggregate, of BTC (as measured at the then-current market price of the BTC at the time of acquisition) during a fiscal quarter (“**Pre-Authorized BTC Acquisitions**”), and (ii) transfer up to \$[Redacted], in the aggregate, of BTC (as measured at the then-current market price of the BTC at the time of transfer) from one or more Permitted Custodians to one or more different Permitted Custodians during a fiscal quarter (“**Pre-Authorized BTC Transfers**”), in each case, whether in a single transaction or series of related transactions, without the prior written approval of the [Redacted] Committee.

Additionally, if any Designated Transaction has been authorized by the Board, or any other committee of the Board to which such authority has been delegated, in connection with any matter with respect to which the Board or such committee thereof is acting, no additional approval by the [Redacted] Committee of such transaction is required and any such transaction will not count toward the aggregate limitations referenced in the prior paragraph (such transactions, “**Board-Approved Designated Transactions**”).

V. Transaction Approval

The Designated Officers will evaluate and pre-approve all proposed transactions and series of related transactions, including Pre-Authorized BTC Acquisitions and Pre-Authorized BTC Transfers, according to the steps described below.

A. Pre-transaction Legal, Tax, and Accounting Considerations

Prior to approval of any transaction or series of related transactions, the Designated Officers will:

- Obtain the material information and recommendations reasonably necessary for their decision;
- Determine a reasonable price and amount for the proposed transaction or series of related transactions, using market quotations or other appropriate valuation methodologies and considering anticipated needs of the business for Cash Assets;
- Evaluate any material tax and accounting aspects of the transaction or series of related transactions, including the tax and accounting aspects of any BTC disposal transaction, in consultation with the [Redacted] and tax and accounting advisers as appropriate;
- Consider any material legal and regulatory aspects of the transaction or series of related transactions, including any public disclosure requirements, in consultation with MicroStrategy’s [Redacted];
- Confirm that the transaction or series of related transactions will not cause the Company to fail to maintain the Working Capital Threshold;
- Confirm that the transaction or series of related transactions has been approved by the [Redacted]

Committee or does not require the [Redacted] Committee's approval; and

- Determine whether discretionary limits or restrictions on the manner and form of executing transactions may be warranted in light of legal, regulatory, tax, accounting, or reputational considerations.

B. Required Elements of Transaction Approval

Authorized Employees will use the transaction approval form set forth in Exhibit B (the “**Transaction Approval Form**”) in a written communication to the Designated Officers to request approval for each transaction or any series of related transactions. The Designated Officers will review and approve each transaction or any series of related transactions, including with respect to, among other things, the following, as applicable (collectively, with the Transaction Approval Form, the “**Transaction Approval Requirements**”):

- The amount, the timing, and the pricing of the transaction or series of related transactions; and
- The Permitted Service Provider or, if applicable, the Permitted OTC Counterparty of the transaction or series of related transactions.

The Designated Officers may allow for appropriate discretion in transaction execution and may impose conditions on their transaction approval.

C. Withdrawal of Transaction Approval

Any Designated Officer may withdraw the approval of any approved transactions that have not been executed, or any approved series of related transactions that have not been fully executed, in a written communication that:

- is authorized by such Designated Officer;
- expressly withdraws the approval of the transaction or series of related transactions with reference to the applicable Transaction Approval Form; and
- states briefly the reason for the withdrawal.

Such Designated Officer will immediately notify any Authorized Employees with responsibility for executing the withdrawn transaction or series of related transactions of the withdrawal.

VI. Transaction Execution

A. General Requirements

Designated Officers or Authorized Employees may execute a transaction or series of related transactions on behalf of the Company if:

- The Designated Officers have (i) obtained [Redacted] Committee approval, if required by this Policy, or confirmed that such approval is not required, and (ii) approved the transaction or series of related transactions in accordance with the Transaction Approval Requirements;
- The transaction will be executed using a Permitted Service Provider or with a Permitted OTC Counterparty;

- The transaction will be executed for the Company's own account and for its own Reserve Management purposes, and not as part of a customer's business or otherwise on behalf of any third party; and
- In an acquisition or transfer transaction, the BTC will be custodied with a Permitted Custodian;

provided that only Authorized Signatories for exchange and custody accounts, as set forth in Exhibit C, may execute transactions with respect to the Company's exchange and custodial accounts.

Designated Officers may establish and implement additional procedures and protocols for executing a transaction or administering custody of BTC on behalf of the Company in accordance with this Policy, which will be set forth in Exhibit C to the extent applicable.

B. Executing Acquisition Transactions

Unless otherwise specified by the [Redacted] Committee, the following requirements apply to execution of BTC acquisition transactions:

- *Timing and Delivery:*
 - a. The Company will complete each BTC acquisition by taking delivery of the counterparty's BTC in accordance with the applicable Contractual Agreement (as defined below) and submitting payment to such counterparty;
 - b. The Company will accept delivery of BTC via the Company's account at a Permitted Service Provider;
 - c. The Company will seek to complete all BTC acquisitions in accordance with the applicable Transaction Approval Requirements; and
 - d. The Company will take delivery of acquired BTC as soon as reasonably practicable.
- *Payment Methods:* The Company will submit payment for BTC acquisitions via wire transfer in accordance with the Company's applicable policies and procedures governing wire transfers. Additional payment methods may be approved by the [Redacted] on a case-by-case basis.

C. Executing Disposition Transactions

Unless otherwise specified by the [Redacted] Committee, dispositions of BTC will, to the extent applicable, be subject to the same procedures and requirements as acquisitions of BTC. Payment for dispositions may be received by the Company in legal tender or other forms of payment approved by the Designated Officers and, if the consideration is to be in a form other than cash, the [Redacted] Committee.

With respect to each BTC disposition transaction, Authorized Employees should, where practicable, confirm and obtain from the applicable Permitted Service Provider or Permitted OTC Counterparty the documentation needed to secure foreign-derived intangible income ("FDII") treatment for the transaction.

VII. Permitted Service Providers and Permitted OTC Counterparties

The following procedures apply to the Company's engagement, use, and monitoring of Permitted Service Providers and Permitted OTC Counterparties:

A. Permitted Service Providers and Permitted OTC Counterparties

The [Redacted] Committee's approval is required to designate third parties as permitted brokers ("Permitted Brokers"), permitted custodians ("Permitted Custodians" and together with Permitted Brokers, "Permitted Service Providers"), or permitted OTC counterparties ("Permitted OTC Counterparties"). Exhibit A contains a list of all Permitted Service Providers and Permitted OTC Counterparties. The Designated Officers may amend or supplement Exhibit A from time to time to reflect any changes in designations approved by the [Redacted] Committee or to reflect the expiration of Contractual Agreements (defined below) by their terms. The Designated Officers or Authorized Employees will consult with the [Redacted], the Company's Finance and/or Legal department(s), and applicable outside legal counsel and tax and accounting advisors when evaluating possible brokers, custodians, and OTC counterparties and will consider evaluation criteria set forth in Exhibit D as applicable, prior to seeking [Redacted] Committee approval.

B. Contractual Agreements with Permitted Service Providers and Permitted OTC Counterparties

The Designated Officers may only cause the Company to enter into brokerage, custodial or OTC counterparty contractual agreements with respect to BTC ("Contractual Agreements") with Permitted Service Providers and Permitted OTC Counterparties. All Contractual Agreements with Permitted Service Providers, or, if applicable, Permitted OTC Counterparties, must be approved in writing by the [Redacted] Committee and the Designated Officers. So long as a Permitted Service Provider or Permitted OTC Counterparty is a party to a Contractual Agreement in effect with the Company that was approved in accordance with this Policy, such Permitted Service Provider or Permitted OTC Counterparty shall continue to be listed on Exhibit A.

All material amendments and supplements to Contractual Agreements must be approved by the [Redacted] Committee and the Designated Officers. All other amendments and supplements to such Contractual Agreements only require the Designated Officers' approval. Terminations of Contractual Agreements by the Company other than due to expiration by the terms of the Contractual Agreements must be approved by the [Redacted] Committee and the Designated Officers.

C. Ongoing Monitoring of Permitted Service Providers and Permitted OTC Counterparties

The Designated Officers or Authorized Employees will monitor and evaluate Permitted Service Providers and, if applicable, Permitted OTC Counterparties on a periodic basis, considering the evaluation criteria set forth in Exhibit D, as applicable. The Designated Officers will notify the [Redacted] Committee if a Permitted Service Provider or Permitted OTC Counterparty is performing in a manner that the Designated Officers consider deficient and will consult with the [Redacted] Committee to determine the appropriate measures to be taken.

D. Specific Procedures Regarding Permitted Custodians

The Company will engage Permitted Custodians to hold BTC on its behalf. Unless otherwise specified by the [Redacted] Committee, the Company will custody all BTC held as Treasury Reserve Assets with Permitted Custodians.

At any time and from time to time, the Designated Officers may consider and approve transfers between Company accounts within a Permitted Custodian.

Designated Officers may allow a Permitted Service Provider to hold reserved funds of the Company for the limited purpose of enabling BTC purchases by the Company; *provided that*, the Permitted Service Provider holds such funds in an account at an FDIC-insured depository institution for the benefit of the Company.

If any service is offered by a Permitted Service Provider that is not acquiring, disposing of, or holding BTC, use of such service by the Company will require the prior written approval of the Designated Officers and will be otherwise subject to the procedures and requirements applicable to other transactions under this Policy.

VIII. Prohibited Activity

Neither the Company, nor any Designated Officer or Authorized Employee acting on behalf of the Company, will engage in any of the following transactions or other activities (each, a “**Prohibited Activity**”):

- transmitting BTC on behalf of others;
- storing, holding, or maintaining custody or control of BTC on behalf of others;
- buying and selling BTC as a customer business;
- performing BTC exchange services as a customer business;
- lending, mining, or issuing BTC;
- front running or other activities that are intended to deceive or mislead other market participants;
- manipulating the price, value, or trading volume of BTC or any instruments that provide economic exposure to BTC; or
- aiding, abetting, enabling, financing, supporting, or endorsing any of the foregoing.

Authorized Employees have an obligation to immediately report the occurrence or suspected occurrence of any Prohibited Activity to the Designated Officers. Additionally, Designated Officers must also immediately report the occurrence or suspected occurrence of any Prohibited Activity to the [Redacted].

The following arrangements are prohibited with Permitted Service Providers who also provide broker services (i.e., Permitted Brokers and Permitted Custodians who act as both brokers and custodians):

- Directing transactions to a Permitted Service Provider to satisfy unrelated business obligations, including those associated with administration, operations, errors, or new business solicitation of the Company or its affiliates (i.e., promotion or sale of MicroStrategy stock or in reciprocation for any gifts or entertainment provided by the Permitted Service Provider);
- Entering into arrangements for goods or services to be received in exchange for order flow; or
- Offering or promising a Permitted Service Provider payments or gifts, requesting or receiving from a Permitted Service Provider any payments, gifts, or unrelated discounted services (e.g., discounts on personal services), or requesting or arranging for the direction to a Permitted Service Provider of a specific amount or percentage of personal or third-party payments, as a condition to a particular transaction.

IX. Conflicts of Interest Generally

MicroStrategy’s Code of Conduct (as amended and restated from time-to-time, the “**Code of Conduct**”) requires that any transaction, relationship, or other circumstance that constitutes a conflict of interest be

disclosed by the person having such a conflict to the [Redacted], or in the case of the [Redacted] or an executive officer or director of MicroStrategy, to the [Redacted] Committee of the Board. Any such transaction, relationship, or circumstance fully disclosed to, and expressly approved by, the [Redacted] or the [Redacted] Committee, as applicable, is deemed not to violate the Code of Conduct. Ownership of BTC or plans to trade BTC may create conflicts of interest under the Code of Conduct. Some examples of such conflicts of interest (which may also constitute Prohibited Activities) are:

- Requesting or receiving a preferential rate for personal transactions from a Permitted Service Provider;
- Favoring a Permitted OTC Counterparty that has given preferential terms in a personal transaction; or
- Utilizing confidential information regarding Company transactions in BTC for personal gain.

These are only a few examples and not intended to be a comprehensive list of potential conflicts of interest. It is the responsibility of the individual who may have a conflict of interest to comply with the requirements of the Code of Conduct.

X. Security Procedures

[Redacted]

XI. Accounting and Recordkeeping

The Company will account for BTC on its books and records in accordance with the Company's accounting policies and procedures. The [Redacted] will advise the Designated Officers of any material changes, developments, or updates to tax and accounting procedures and practices with respect to BTC, including those of the Company, the Financial Accounting Standards Board, the Public Company Accounting Oversight Board, the Internal Revenue Service, or other relevant organizations.

The Company will retain records of:

- any BTC that it holds or disposes of, including the date a particular transaction was made, the transaction details and price, and any other records or information required by the [Redacted] or the Company's Finance department; and
- its transactions, including all acquisitions, transfers, dispositions, or events associated with BTC, for at least six years from the date of any such transaction or event or such other period as may be required by applicable law, including the date and time of the transaction or event and the amount of BTC that was the subject of the transaction or event.

XII. Training and Enforcement

The Designated Officers are responsible for determining the appropriate method and level of training for Authorized Employees who have a role or responsibility relating to the Company's Reserve Management.

For violations of this Policy, the Designated Officers will consult with the Company's Human Resources and Legal departments and take action in accordance with the Company's Employee Handbook or other applicable internal Company policies.

XIII. Interpretations and Determinations

The Designated Officers have the authority and discretion to interpret this Policy (including any defined terms) and apply this Policy to Reserve Management and all other matters addressed in this Policy. If necessary, final determination of questions arising under this Policy will be made by the [Redacted].

XIV. Amendments

The Board has the authority and discretion to amend this Policy, unless such authority is explicitly delegated to the Designated Officers or the [Redacted] Committee herein. The Designated Officers are responsible for ensuring that all relevant MicroStrategy personnel are made aware of material changes to this Policy.

Approved by the Board of Directors
of MicroStrategy on [Redacted].

Exhibit A – Authorized Employees, Permitted Brokers, Permitted Custodians, and Permitted OTC Counterparties

The Company's Authorized Employees, Permitted Brokers, Permitted Custodians, and Permitted OTC Counterparties are as follows:

Authorized Employees:

[Redacted]

Permitted Brokers:

[Redacted]

Permitted Custodians:

[Redacted]

Permitted OTC Counterparties:

[Redacted]

Exhibit B –Transaction Approval Form

Date:

[Redacted] Committee Approval Date (if required):

Approval By:

Transaction Information:

- Permitted Service Provider or, if applicable, Permitted OTC Counterparty:
- Transaction Amount:
- Transaction Timing:
- Transaction Pricing:
- Single Transaction or Series of Related Transactions:
- Other Conditions or Restrictions:

Rationale for Approving Transaction:

- [Brief narrative to be completed]

Exhibit C – Additional Procedures and Protocols for Transaction Execution

The Company will establish standard security protocols with respect to account access and transacting on any BTC exchange or custody platform. The standard security protocols are as follows:

[Redacted]

In the event a Permitted Service Provider or Permitted OTC Counterparty is not able to adhere to these security protocols, the transaction execution process will default to the transaction execution requirements of this Policy and of the applicable Permitted Service Provider or Permitted OTC Counterparty.

Authorized Signatories for Exchange Accounts

[Redacted]

Authorized Signatories for Custody Accounts

[Redacted]

Approved by the Designated Officers on
[Redacted].

Exhibit D – Criteria for Evaluating Brokers, Custodians, and OTC Counterparties

Criteria for Evaluating Brokers

The following selection criteria are provided for illustrative purposes and may be utilized when selecting brokers and/or dealers (hereinafter “**brokers**”). Such criteria include:

- A broker’s financial condition;
- The broker’s responsiveness and speed of execution;
- The broker’s willingness and ability to enter into and take financial risks in large and difficult transactions;
- The facilities that the broker makes available (including trading networks, access to other brokers and markets, and resources for positioning as principals);
- The potential methods of execution (i.e., on an agency or principal basis) that a broker can make available, including the effect on price, transaction confidentiality, and counterparty risk;
- The broker’s information and cybersecurity practices;
- The transparency and reasonableness of the broker’s rates, fees, and other compensation;
- The broker’s capability of providing appropriate documentation and control functions to satisfy any requirements the Company’s Finance department may request with respect to FDII reporting or other service features with tax reporting utility (e.g., cost basis tracking);
- The broker’s compliance with applicable laws, including federal money services business laws, state money transmitter laws, and other laws applicable to the broker’s business;
- Any governmental or regulatory investigations involving the broker; and
- The broker’s general reputation, including any history of complaints or lawsuits against the broker and whether the broker has been the subject of negative press.

Criteria for Evaluating Custodians

The following selection criteria are provided for illustrative purposes and may be utilized when selecting custodians, in addition to the broker selection criteria (listed above) where relevant. Some custodians serve as both a custodian and a broker, and the fundamental counterparty risks remain common to both brokers and custodians. Additional custodian-specific criteria include:

- The custodian’s history and experience in BTC custody;
- Whether the custodian is subject to supervision and examination by a prudential regulator (e.g., the Office of the Comptroller of the Currency, another bank regulator, or the New York State Department of Financial Services);

- The custodian’s contractual commitments to high standards of care and performance;
- The custodian’s cybersecurity procedures and audit and resiliency planning, including whether the custodian conducts regular SOC audits and security and penetration testing;
- Whether, and to what extent, a custodian has insurance coverage to cover potential losses of customer assets;
- The custodian’s status as a “qualified custodian” as defined under the federal securities laws;
- The custodian’s willingness to treat BTC under custody as a “financial asset” under Article 8 of the Uniform Commercial Code;
- Whether the custodian’s contract provides for the Company’s BTC to remain the Company’s property at all times and not subject to the custodian’s bankruptcy or receivership estate;
- The custodian’s compliance with applicable capitalization requirements, laws, and regulations, including federal money services business laws, state money transmitter laws, and other laws applicable to the custodian’s business;
- Any governmental or regulatory investigations involving the custodian; and
- The custodian’s general reputation, including any history of complaints or lawsuits against the custodian and whether the custodian has been the subject of negative press.

Criteria for Evaluating OTC Counterparties

Among the factors that may be utilized during the OTC counterparty due diligence process are:

- The OTC counterparty’s compliance with applicable laws, including federal money services business laws, state money transmitter laws, and other laws applicable to the counterparty’s business;
- The OTC counterparty’s financial stability, including ability to fulfill contractual obligations;
- The OTC counterparty’s information and cybersecurity practices with respect to BTC acquired by the Company; and
- Any restrictions on engaging in transactions with OTC counterparties under applicable laws and regulations, including whether such transactions would be in accordance with the Company’s sanctions compliance policy.