

National Instruments Corporation
Conflicts of Interest Policy
Adopted by the NI Board of Directors
(All Employees of National Instruments)

I. PHILOSOPHY

The Company's employees should be free from conflicting interests and influences of such nature and importance as will make it difficult to give the Company their best efforts and undivided loyalty.

References to the interests of such employees include those of their spouse and children under the age of twenty-one.

II. PROVISIONS

Conflicts of interest or relationship may arise from a number of different circumstances, some major and some of little importance. Because of the difficulty inherent in these questions, it is the policy of the Company to require all employees to report to the President the information listed below to enable the President to judge the existence or likely development of significant conflicts of interest.

A. Investments in Enterprises with which the Company does Business, or in Competitor Companies

Each employee holding an investment in any enterprise with which the Company has or expects to have business relationships (including acquisition transactions), or which competes with the Company, shall report such interest unless all of the following tests are met:

1. The interest is in an enterprise whose stock is listed on a national securities exchange or traded over the counter, and regularly quoted in either the daily or weekly lists published by "The Wall Street Journal," and
2. The interest, if in equity securities, constitutes less than 5% of the issued and outstanding equity securities of the enterprise, and
3. The fair market value of the investment is less than the greater of (A) twice the employee's aggregate compensation (i.e., base salary and bonuses) received from the Company for the calendar year ending on the preceding December 31 or (B) 1% of the fair market value of the

employee's aggregate holdings of the Company's common stock as of the date of the investment, and

4. For purposes of the foregoing, any interest in an enterprise that an employee holds indirectly through a third-party professionally managed fund (including a mutual fund, hedge fund, private equity fund or venture capital fund) shall not be considered.

B. Compensation for Services, Other than from the Company

If any employee renders services to any person or firm which does business with or is in competition with the Company, the facts should be reported. The amount of compensation received or to be received as fees or otherwise need not be disclosed if it covers only services rendered in the capacity of director or trustee, and if the aggregate amount for the preceding year, or anticipated for the succeeding year, was or is less than 5% of the employee's total compensation from the Company for such year.

C. Receiving Gifts, Loans and Entertainment

An employee should not accept any gift, loan or entertainment from any person or firm having current or prospective dealings with the Company as a supplier, contractor or purchaser, or which is considered a potential acquisition candidate, if the acceptance of it would tend to prevent him/her from acting solely in the best interests of the Company. No employee should take loans from any individual or firm having current or prospective dealings with the Company, unless such individual or firm is regularly in the business of loaning money to individuals. For more detailed provisions about the Company's policy on giving and receiving gifts and entertainment, please refer to the Business Gifts and Entertainment Policy.

D. General

The foregoing illustrates the kinds of situations most likely to arise, creating the type of conflicts of interest or relationship which would violate this policy, but these situations should be regarded as illustrative only and each employee should report any relationships, associations, activities or other circumstances that could create actual or potential conflicts of interest so the situation can be evaluated and addressed appropriately. You must disclose all situations where you may be conducting Company business with members of your family, friends or others with whom you have a close personal relationship.

III. RESPONSIBILITY

Every employee has a duty to report potential conflict of interest situations of themselves or others to the President (see suggested form attached) who will make a determination as to whether there exists any conflict of interest or relationship which violates Company policy.

If it is determined that a conflict does exist in any case, the employee involved will be required to dispose of the conflicting interest or terminate the conflicting relationship, or the employee will be relieved of the authority and responsibility in the area in which such conflict exists, or such employee will be permitted to retain the interest or relationship and still represent the Company, but only after those to whom such employee reports have been advised of the circumstances involved.

The General Counsel shall compile the conflict of interest reports received and acted upon by the President and report such to the Audit Committee of the Board of Directors.

**TO: Alex Davern
President**

REPORT OF POTENTIAL CONFLICT OF INTEREST

Name of Conflicted Employee: _____

Title and General Description of Duties: _____

Description of relationship or activity raising issue of potential conflict of interest

(date)

(Signature of reporting employee)

National Instruments Corporation
Conflicts of Interest
Adopted by the NI Board of Directors
(Non-employee Directors)

I. PHILOSOPHY

The Company's non-employee directors should be free from conflicting interests and influences of such nature and importance as will make it difficult to meet their applicable fiduciary duties to the Company and the Company's stockholders as a member of the Board of Directors.

References to the interests of non-employee directors include those of their spouse and children under the age of twenty-one.

II. PROVISIONS

Conflicts of interest or relationship may arise from a number of different circumstances, some major and some of little importance. Because of the difficulty inherent in these questions, it is the policy of the Company to require all non-employee directors to report to the Board or a designated Board committee the information listed below to enable the Board or committee to judge the existence or likely development of significant conflicts of interest.

A. Investments in Enterprises with which the Company does Business, or in Competitor Companies

Each non-employee director holding an investment in any enterprise with which the Company has business relationships (including acquisition transactions), or which competes with the Company, shall report such interest unless all of the following tests are met:

1. The interest is in an enterprise whose stock is listed on a national securities exchange or traded over the counter, and regularly quoted in either the daily or weekly lists published by "The Wall Street Journal," or the interest is in a privately held enterprise and the interest was acquired for cash or bona fide services at fair market value or as a bona fide gift from a person who was not an affiliate (i.e., executive officer, director or controlling stockholder) of the other person or firm at the time of the gift;
2. The interest, if in equity securities, constitutes less than 5% of the issued and outstanding equity securities of the enterprise, and

3. The non-employee director is not an executive officer or member of the Board of Directors of the enterprise.

B. Compensation for Services, Other than from the Company

If any non-employee director renders services to any person or firm which does significant business with or is in competition with the Company, the facts should be reported. The amount of compensation received or to be received as fees or otherwise need not be disclosed if it covers only services rendered in the capacity of employee, consultant, director or trustee, and if the aggregate amount for the preceding year, or anticipated for the succeeding year, was or is less than \$100,000. For purposes of the foregoing, a person or entity shall be deemed to do significant business with the Company if the person or entity represented 1% or more of the Company's revenue in the most recent fiscal year.

C. Gifts, Loans and Entertainment

A non-employee director should not accept any gift or loan from any person or firm having current dealings with the Company as a supplier, contractor or purchaser, or which is considered a potential acquisition candidate, if the acceptance of it would tend to prevent him/her from meeting his or her fiduciary duties to the Company and its stockholders. No non-employee director should take loans from any individual or firm having significant business dealings with the Company, unless such individual or firm is regularly in the business of loaning money to individuals. No entertainment should be accepted by any such director of the Company of a kind or amount which would prevent him/her, or give the perception of such, from meeting his or her fiduciary duties to the Company and its stockholders.

III. RESPONSIBILITY

Every non-employee director has a duty to report potential conflict of interest situations of themselves to the Audit Committee of the Board who will make a determination as to whether there exists any conflict of interest or relationship which violates this policy.

If it is determined that a conflict does exist in any case, the non-employee director involved will be required to dispose of the conflicting interest to the satisfaction of the Audit Committee.

TO: Audit Committee of the Board of Directors

REPORT OF POTENTIAL CONFLICT OF INTEREST

Name of Conflicted Non-Employee Director: _____

Description of relationship or activity raising issue of potential conflict of interest

(date)

(Signature of reporting director)