



ActivIdentity Corporation

Disclosure Committee Charter

Updated June 26, 2005

The Disclosure Committee Charter (Charter) has been adopted by the Chief Executive Officer and the Chief Financial Officer (Senior Management) of ActivIdentity Corp. (Company) and ratified by the Audit Committee of the Board of Directors.

Purpose

It is the Company's policy that all disclosures made by the Company to its security holders or the investment community will be accurate, complete, and fairly present the Company's financial condition and results of operations, in all material respects, and will be made on a timely basis, as required by applicable laws, regulations, stock exchange requirements, and prevailing corporate governance principles and practices. The Company has established the Disclosure Committee (Committee) to assure compliance with this policy. The certification of disclosures and reporting procedures are also intended to comply with the Sarbanes-Oxley Act of 2002.

Committee Organization

The Committee is chaired by the Chief Financial Officer and must include the Corporate Controller, Chief Accounting Officer, and External Reporting Manager, as appropriate. Additional members of the Committee are listed in Exhibit A.

Committee Responsibilities

In order to achieve its purpose, the Committee will perform the following:

Identification and Consideration of Disclosure Issues:

Identify and consider disclosure issues in connection with the preparation of periodic reports, quarterly financial earnings releases, and quarterly and annual filings with the Securities and Exchange Commission (SEC) (Forms 10-Q and 10-K, respectively). The Committee will meet prior to the publication of financial earnings releases and the filing of quarterly and annual reports with the SEC to review and evaluate disclosure requirements.

As part of the process for evaluating disclosures, the Committee will:

- Review and discuss with the Corporate Controller whether the Company's periodic reports and earnings releases provide a fair presentation of the Company's financial condition, results of operations, and cash flows;
- Assess the materiality of specific transactions, events, developments, or risks to the Company;
- Review financial reporting issues that are significant to the Company and other material reporting matters where the person primarily responsible for such matters made significant judgments (either independently or in consultation with others).
- Review the Company's quarterly and annual reports (Form 10-Q and 10-K); and
- Consider items that may require disclosure in the Company's periodic reports.

Evaluation of Disclosure Controls and Procedures:

A quarterly evaluation of the Company's disclosure controls and procedures will be performed as follows:

- Evaluate the effectiveness of the Company's disclosure controls within 90 days prior to the filing of the Periodic Reports.
- Establish and monitor procedures to solicit and collect certifications from (a) executive officers and other senior personnel regarding the accuracy of the contents of periodic reports; (b) financial personnel, with managerial responsibilities, regarding the preparation and accuracy of the Company's financial statements; and (c) sales personnel regarding the propriety of revenue transactions and absence of side agreements, written or oral, that have not been communicated to the personnel responsible for revenue recognition, including but not limited to the Chief Financial Officer, Corporate Controller, Head of Sales and Marketing, and the employee's direct manager, among others. Certifications that are not received or any unresolved exceptions taken by the certifying individual(s) shall be reported to Senior Management and the Audit Committee.
- Review and evaluate the quarterly report that is prepared by the Vice President, Internal Audit. This report provides an assessment of the adequacy of the design or operation of key financial controls in the organization. The Committee should consider any deficiencies noted, the corrective action taken, and whether there is any indication of fraud, whether material or not, that involves management or other employees who have a significant role in the Company's internal controls. The Committee shall consider if such items require disclosure in the Company's periodic reports.

Evaluation of Contents of Public Documents:

The Committee shall review all other publicly disclosed information prior to issuance, including:

- Press releases providing financial information or guidance to investors;
- Correspondence disseminated broadly to shareholders; and
- Disclosures on the Company's Corporate / Investor Relation website.

In meeting its responsibilities, the Committee shall have unrestricted access to all relevant internal information, including internal audit reports, reports to the Board of Directors and to Board committees, and reports to senior management.

The Committee will also evaluate any obstacles within the Company to prevent full disclosure and fair reporting. Any such obstacles, if not resolved by Senior Management, will need to be brought to the attention of the Audit Committee in a timely manner.

The Committee shall have such other responsibilities as are assigned by Senior Management from time to time.

Meeting, Administration, and Reporting

The Chairperson of the Committee shall be responsible for scheduling and presiding over meetings, preparing agendas, and minutes. The Committee may invite other personnel, in addition to the list included in Exhibit A, to

attend meetings or otherwise contribute to the meeting's agenda. Such personnel may include the Company's external auditors, outside counsel, consultants or others with special or relevant knowledge or expertise. The Committee can also use similar sources to evaluate and assess materiality, adequacy of disclosures, and other matters that may come before the Committee for proper resolution. Minutes of each meeting shall be summarized and reported to Senior Management following conclusion of the meeting.

The Committee will meet at least eight times a year, four times to review quarterly / annual periodic reports and four times to review the earnings releases (meetings may be combined, if appropriate). Additional meetings may be scheduled as needed to meet the responsibilities under this Charter, taking into account developments since the most recent meeting, including changes to the Company's organization as well as changes in economic, regulatory, or industry conditions.

Amendments

The Committee shall review and reassess the adequacy of the Committee's Charter at least annually. If the Committee deems it necessary or appropriate to revise the Charter, it may submit proposed revisions first to the Senior Management and General Counsel. The Charter can be amended upon written direction of Senior Management, after notification to the Company's Audit Committee of such amendment.

Exhibit A: Required Attendees at Disclosure Committee Meetings

Function	Attendees
Executive Team	Chief Executive Officer Chief Financial Officer Chief Operating Officer President
Sales and Marketing	Head of Sales
Finance	VP & Corporate Controller External Reporting Manager VP Internal Audit
Legal	Corporate Counsel
Acquired entities, as applicable	Chief Executive Officer Chief Financial Officer Corporate Controller

