



## EXECUTIVE STOCK OWNERSHIP POLICY

The Compensation Committee of the Board of Directors of PTC believes that PTC executives are more aligned with stockholder interests when they are stockholders themselves. The Committee has adopted this stock ownership policy for PTC executive officers which is intended to align the executives' interests with those of PTC stockholders. The policy requires all officers of the Company subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934 who report to the Chief Executive Officer ("Executive Officers") to attain a certain ownership level of PTC common stock.

Executive Officers are required to attain (as set forth below) an ownership level of PTC common stock having a value equal to, for the Chief Executive Officer, five (5) times, and, for all other Executive Officers, one (1) times, their respective salary, excluding bonus (the "Minimum Holding Levels"). The Minimum Holding Levels will be calculated annually on the day of the Company's Annual Meeting of Stockholders based on the average of the closing prices of the Company's stock as reported by NASDAQ over the thirty calendar days preceding the Annual Meeting. Any subsequent change in the value of the shares will not affect the amount of stock Executive Officers should hold during that year. Common stock that counts towards the Minimum Holding Levels includes all stock beneficially owned by the Executive Officer, including stock owned jointly with, or separately by a spouse and/or minor children, but excludes unvested restricted stock and stock underlying unexercised option grants.

If at the time an Executive Officer exercises options or vests in restricted stock, excluding restricted stock that has been awarded as part of the Executive Officer's Executive Incentive Plan bonus, and at the time of such exercise or vesting has not attained his/her respective Minimum Holding Level, the Executive Officer shall retain in such transaction the lesser of the following:

1. A number of shares equal to sixty percent (60%) of the value of shares exercised or vested after deducting taxes at an assumed tax rate of forty percent (40%); or
2. A number of shares necessary to reach the Executive Officer's applicable Minimum Holding Level.

The Committee understands that there may be instances where this policy would place a hardship on an Executive Officer. In such an event, the Chairman of the Committee will make the final decision as to whether to grant a waiver of the policy, which decision shall balance the goals of this policy and the affected Executive Officer's personal circumstances.