



SUMMARY OF DISCLOSURE, CONFIDENTIALITY & INSIDER TRADING POLICY (to be read in Conjunction with the entire Policy included below)

1. Purpose of this Policy

Ensure: that the Corporation complies with its timely disclosure; that all disclosures are accurate and complete; that documents released by the Corporation or public oral statements do not contain misrepresentations; that all persons understand their obligations to preserve the confidentiality of Undisclosed Material Information; and that all parties who have Undisclosed Material Information understand that they are prohibited from Insider Trading or Tipping.

2. To Whom this Policy Applies

Board Members, Officers, Employees and Contractors, and any spouse, live-in partner or relative of any of these individuals who resides in the same household as that individual.

3. Responsibility for this Policy

The Corporation has a corporate disclosure committee responsible for overseeing the Corporation's disclosure practices under this Policy, which will consist of the Chief Financial Officer ("CFO"), the President of the Corporation and the Secretary of the Corporation.

It is essential that the Disclosure Committee be kept fully apprised of all pending material developments of the Corporation in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information.

4. Individuals Who Are Authorized to Speak on Behalf of the Corporation

Only the individuals listed below are authorized to communicate with analysts, the media and investors on behalf of the Corporation and only with respect to the areas noted opposite their respective names.

<u>Spokesperson</u>	<u>Area</u>
President	All areas
CFO	All areas
COO	All areas
VP, Business Development	All areas

Other than as set out above, approval from either the President or CFO is required prior to any communication with analysts, media or investors on behalf of the Corporation.

5. Timely Disclosure of Material Information

“**Material information**” means a fact or change that would reasonably be expected to have a significant effect on the market price or value of the securities of the Corporation.

If the event constitutes a material change, prepare a press release and a material change report describing the material change as required under applicable laws.

8. Internet Chat Rooms and Bulletin Boards

Do not discuss or post any information relating to the Corporation or any of its subsidiaries or trading in securities of the Corporation in Internet chat rooms, newsgroups, bulletin boards, web logs or other electronic media available to the public.

9. Rumours

The Corporation shall not comment, affirmatively or negatively, on rumours.

11. Quiet Period

Each period (a) beginning on the last day of each fiscal quarter and each fiscal year, and (b) ending when the earnings for that quarter or year have been Generally Disclosed by way of a news release, will be a “**Quiet Period**”. During a Quiet Period, Spokespersons won’t talk to any outsider.

12. Avoiding Selective Disclosure

A shareholder meeting or analyst meeting does not qualify as “General Disclosure”, hence no new material facts/changes may be disclosed there.

13. Analyst Reports

Any comments must contain a disclaimer that the report was reviewed **for factual accuracy only**... and that only Generally Disclosed information can be reviewed. Analysts' reports must not be circulated by the company.

14. Trading of Securities of the Corporation

Board Members, Officers, Employees and Contractors shall not purchase or sell or otherwise monetize securities of the Corporation except during a “**Trading Window**”. “**Trading Window**” means 3 trading days after the financial results have been disclosed by way of a news release, and end on the 14th day of the last month of that quarter.

15. Insider Trade Reports

An Insider of the Corporation is required to file an initial insider report through SEDI, within ten (10) days of becoming an Insider and subsequent insider reports within five (5) calendar days following any trade of securities of the Corporation.

Acknowledgement and Agreement

I, the undersigned, have read and agree to abide by Constellation Software Inc. **DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY** dated May 11th 2006.

I understand that the issues discussed in the **DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY** are extremely important and failure to comply with the policies and procedures as outlined could cause irreparable damage to Constellation Software Inc., its subsidiaries, affiliates, directors, officers and other effected parties.

I further agree that non compliance with the **DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY** is a serious breach of my employment with Constellation Software Inc. and/or any of its subsidiaries. Such breach if significant can be cause for termination of employment or other disciplinary action.

Date: _____

Name (please print)

Signature

Constellation Software Inc.

DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY

MAY 6TH, 2015,
AS APPROVED BY THE BOARD

**CONSTELLATION SOFTWARE INC.
AND ALL SUBSIDIARIES
(collectively the “Corporation”)**

DISCLOSURE, CONFIDENTIALITY AND INSIDER TRADING POLICY

1. Purpose of this Policy

Certain prescribed persons and companies including the Corporation and its directors and officers can be sued by certain current or former securityholders of the Corporation for “**misrepresentations**” (as defined herein) in documents issued to the public or for misrepresentations made in public oral statements relating to the Corporation’s business and operations. Certain current or former securityholders of the Corporation will also be able to sue the Corporation and its directors and officers for failure to disclose material information in a timely manner. In addition, the Corporation, its officers, directors and employees have obligations under securities laws relating to the use and/or dissemination of undisclosed material information.

The purpose of this Disclosure, Confidentiality and Insider Trading Policy of the Corporation (the “**Policy**”) is to set forth certain policies to ensure:

- that the Corporation complies with its timely disclosure obligations as required under Canadian securities law including, the *Securities Act* (Ontario) (the “**Act**”);
- that all disclosures made by the Corporation to its security holders or the investment community are accurate and complete and fairly present the Corporation’s financial condition and results of operations in all material respects, and are made on a timely basis as required by applicable laws and stock exchange requirements, including Multilateral Instrument 52-109, Certification of Disclosure in Issuer’s Annual and Interim Filings (the “52-109”)
- that documents released by the Corporation or public oral statements made by a person with actual, implied or apparent authority to speak on behalf of the Corporation that relate to the business and affairs of the Corporation do not contain misrepresentations;
- that all persons to whom this Policy applies understand their obligations to preserve the confidentiality of Undisclosed Material Information (as defined herein); and
- that all appropriate parties who have Undisclosed Material Information understand that they are prohibited from Insider Trading (as defined herein) or Tipping (as defined herein) under applicable law, stock exchange rules and this Policy.

2. To Whom this Policy Applies

The main groups of persons to whom this Policy applies are set out in **Schedule “A”** attached hereto. Each section of the Policy that imposes restrictions and obligations will identify which groups of persons are subject to that section. References in this Policy to

“any person to whom this Policy applies” or similar references are intended to include persons in all of the groups described in **Schedule “A”**.

3. Responsibility for this Policy

The Corporation has created a corporate disclosure committee (the **“Disclosure Committee”**) responsible for overseeing the Corporation’s disclosure practices under this Policy, which will consist of the Chief Financial Officer (“CFO”), President of the Corporation and the Secretary of the Corporation. The composition of the Disclosure Committee may change from time to time and the Corporation will advise all persons to whom this Policy applies of any such changes in due course. Changes to this Policy shall be approved by the Board of Directors. Any questions or issues which arise under this Policy shall be brought to the attention of the Board of Directors or, if time does not permit review by the Board, then to any member of the Board.

The Disclosure Committee will meet as required under this Policy and as conditions otherwise dictate and the minutes of all such meetings shall be kept by the CFO of the Corporation.

It is essential that the Disclosure Committee be kept fully apprised of all pending material developments of the Corporation in order to evaluate and discuss those events and to determine the appropriateness and timing for public release of information.

In accordance with this Policy and acknowledging the requirement to disclose promptly to the public all material information, the procedures and policies included in this Policy relating to the public disclosure of information by the Corporation shall be implemented and applied by the Disclosure Committee or any two designates thereof, acting together, with common sense and good business judgement with a view to the best interests of the shareholders of the Corporation.

At least annually, the Board of Directors shall review this Policy and the Corporation’s current disclosure controls and procedures, to address Policy compliance issues, and to ensure that this Policy complies with any applicable regulatory or securities law requirements.

4. Individuals Who Are Authorized to Speak on Behalf of the Corporation

- 4.1 Subject to Section 4.2, only the individuals (**“Spokespersons”**) listed below are authorized to communicate with analysts, the media and investors on behalf of the Corporation and only with respect to the areas noted opposite their respective names.

<u>Spokesperson</u>	<u>Area</u>
President	All areas
CFO	All areas
COO	All areas
Vice-President, Business Development	All areas

Other than as set out above, approval from either the President or CFO is required prior to any communication with analysts, media or investors on behalf of the Corporation.

The Spokesperson list may be updated or modified from time to time with the approval of the Disclosure Committee.

- 4.2 Any person to whom this Policy applies who is approached by the media, an analyst, investor or any other member of the public to comment on the business and affairs of the Corporation, must refer all inquiries to the CFO or any member of the Disclosure Committee.

Procedures Regarding Documentary Disclosure

- 5.1 The procedures in this section apply to all Directors, Officers, Employees and Contractors.
- 5.2 As stated above, the Corporation, and its Officers and Directors may be liable for “**misrepresentations**” in documents issued publicly by the Corporation. In particular, liability may arise in respect of a misrepresentation in any written communication, including a communication prepared and transmitted only in electronic form (hereinafter referred to as a “**Document**”):
- that is required to be filed with the Ontario Securities Commission (the “**OSC**”) either on the SEDAR web site at www.sedar.com or otherwise;
 - that is not required to be filed with the OSC or on the SEDAR web site but is so filed;
 - that is filed or required to be filed with a government or an agency of a government under applicable securities or corporate law or with any stock exchange (*i.e.*, the Toronto Stock Exchange (the “**TSX**”)) or similar institution under its bylaws, rules and regulations; or
 - the content of which would reasonably be expected to effect the market price or value of a security of the Corporation (e.g., the contents of the

Corporation's website or any press release not required to be filed with the OSC).

5.3 A "**misrepresentation**" means:

- an untrue statement of a material fact (as defined herein); or
- an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made.

5.4 The Act distinguishes between Core Documents and non-core documents. In the case of a misrepresentation contained in a non-core document or made in a public oral statement or resulting from a timely disclosure violation certain securityholders of the Corporation must prove the existence of certain additional factors, such as, knowledge of the misrepresentation or timely disclosure violation, deliberate avoidance of acquiring knowledge of a disclosure violation, or, through action or failure to act, gross misconduct which resulted in the misrepresentation or timely disclosure violation, in order for any claim arising out of a misrepresentation in that Document to be successful.

5.5 For the purposes of the Corporation, its Officers and its Directors who are also members of management, the following are "**Core Documents**":

- prospectuses;
- take-over bid circulars;
- issuer bid circulars;
- directors' circulars;
- rights offering circulars;
- * management's discussion and analysis ("**MD&A**");
- * annual information forms;
- * information circulars;
- * annual financial statements;
- * interim financial statements; and
- material change reports.

* These documents are covered by 52-109 and the President and CFO are required to sign and file certificates with such documents.

For non-management Directors, non-management “Influential Persons” (as such term is defined under Section 138.1 of the Act) and directors and officers of an Influential Person who are not also officers of the Corporation, all of the foregoing, other than material change reports, are “Core Documents”.

- 5.6 The Act provides certain defences and “safe harbours” for the Corporation, its Officers and Directors in respect of liability for misrepresentations provided that the Corporation can demonstrate, amongst other things, the existence of and compliance with certain disclosure policies and procedures. This Policy describes some of these procedures and other procedures will be adopted by the Disclosure Committee, at any time and from time to time, as determined by the Disclosure Committee.

Procedures Relating to the Preparation and Release of Documents

- 5.7 Prior to the time that any Document is to be released to the public, filed with the OSC or filed on the SEDAR web site, the following procedures must be observed:
- the Document should be prepared in consultation with and be reviewed by personnel in all applicable internal departments of the Corporation, and input from external experts and advisors should be obtained as necessary;
 - the Document must be reviewed and approved by the Disclosure Committee in accordance with this Policy;
 - in the event a report, statement or opinion of any expert is included or summarized in a Document, the written consent of the expert to the use in any public disclosure of the report, statement or opinion or extract thereof and the specific form of disclosure shall be obtained;
 - Core Documents must be provided to the Directors in advance of the time they are to be filed or released to provide the Directors with sufficient time to review and comment on such documents. It is recognized that the requirement to make prompt disclosure of material changes by way of press release may make it difficult to have a press release reviewed by the Directors. In such cases, the press release may be reviewed and approved by the Disclosure Committee; and
 - interim financial statements, annual financial statements, the related MD&A and all other **Core Documents** must be reviewed and approved by the Disclosure Committee, the Audit Committee in accordance with the Audit Committee Charter and the Board as a whole.
- 5.8 In the event that a Document contains any Forward-Looking Information (as defined herein) this information must be specifically identified as such and the following additional disclosure shall be provided in written form proximate to each place in the Document where the Forward-Looking Information appears:

- reasonable cautionary language identifying the Forward-Looking Information as such;
- identifying the material factors that could cause actual results to differ materially from expected results, forecasts or projections in the Forward-Looking Information; and
- a statement of the material factors or assumptions that were applied in the Forward-Looking Information.

It is important that all material factors and assumptions that are listed specifically relate to the Forward-Looking Information that is contained in the Document. Generic or “catch all” formulations of material factors and/or assumptions are not sufficient. In addition, the Corporation must also have a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the Forward-Looking Information.

5.9 **“Forward-Looking Information”** means all disclosure regarding possible events, conditions or results (including future-oriented financial information with respect to prospective results of operations, a prospective financial position or prospective changes in financial position that are based on assumptions about future economic conditions and courses of action) that is presented as either a forecast or projection. An example would be the discussion of trends and prospects for the Corporation in its MD&A.

5.10 In connection with all documentary filings which require 52-109 certification, the Disclosure Committee shall assist the President and CFO in fulfilling their responsibility for oversight of the accuracy and timeliness of the disclosures made by the Corporation, and their requirement to issue the required quarterly and annual Certificates under the 52-109, by being responsible for the following tasks, in each case subject to the supervision and oversight of the President and CFO:

1. Design such disclosure controls and procedures, or caused them to be designed under the Disclosure Committee’s supervision, to provide reasonable assurance that material information relating to the Corporation, including its subsidiaries, is made known to the President and CFO by others within those entities, particularly during the period in which the annual or interim filings (the “filings”) are being prepared.
2. Evaluate the effectiveness of the Corporation’s disclosure controls and procedures as of the end of the period covered by the filings and ensure that the Corporation discloses in the annual MD&A its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by the annual filings based on such evaluation.
3. Evaluate the effectiveness of the Corporation’s Disclosure Controls within 45 days prior to the filing of the Corporation’s annual financial statements and related management’s discussion and analysis..

4. Discuss with the President and CFO all relevant information with respect to the Disclosure Committee's proceedings, the preparation of the Disclosure Statements and the Disclosure Committee's evaluation of the effectiveness of the Corporation's Disclosure Controls.

In discharging its duties, the Disclosure Committee shall have full access to all books, records, facilities, and personnel of the Corporation.

6. Procedures Relating to Public Oral Statements

- 6.1 These procedures apply to all Employees, Officers and Directors of the Corporation.
- 6.2 Liability can also arise under the Act in relation to a misrepresentation made in a "public oral statement" made by or on behalf of the Corporation. A "**public oral statement**" is any oral statement made in circumstances in which a reasonable person would believe that information contained in the statement will become generally disclosed. Examples include speeches, presentations at shareholders meetings, news conferences, interviews and discussions with analysts where the Corporation's prospects or financial condition are discussed. The following procedures must be observed in respect of any public oral statements made by or on behalf of the Corporation:
 - such public oral statements must be made only by the Spokespersons authorized by this Policy to make public oral statements on behalf of the Corporation;
 - any public oral statement referring to a statement, report or opinion of an expert, in whole or in part, must be made with the prior written consent of said expert to publicly disclose the statement report or opinion prior to a Spokesperson making a public oral statement related thereto. The Disclosure Committee shall establish policies and procedures related to obtaining such expert's written consent and maintaining adequate books and records in that regard including, the written withdrawal of an expert's consent to refer to his, her or its report, statement or opinion or extract thereof;
 - prior to a public oral statement being made, a script should be prepared along with the answers to anticipated questions. The script must be reviewed by the Disclosure Committee to ensure that it does not contain a misrepresentation and for compliance with Section 12 (Selective Disclosure) and Section 5.8 (Forward-Looking Information) of this Policy;
 - the Spokesperson giving the statement should not, while giving the public oral statement, depart from the approved script in any material respect. Responses to questions should not provide additional information but, rather, clarify the information that has been presented;

- a transcript or electronic recording of all speeches, interviews and other public oral statements made by any Spokesperson shall be made and furnished to the CFO of the corporation immediately following the making of such public oral statement; and
- the CFO of the Corporation and/or the Disclosure Committee shall review the transcript and/or electronic recording of each public oral statement made by or on behalf of the Corporation to ensure that the public oral statement does not contain a misrepresentation. If such public oral statements are found to contain a misrepresentation, the Disclosure Committee shall immediately issue a correcting press release.

6.3 Where a public oral statement contains Forward-Looking Information, the Spokesperson must, prior to making such a public oral statement:

- make a cautionary statement that the public oral statement contains Forward-Looking Information;
- state that:
 - the actual results could differ materially from a conclusion, forecast or projection in the Forward-Looking Information; and
 - certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the Forward-Looking Information; and
- state that additional information about:
 - the material factors that could cause actual results to differ materially from the conclusion, forecast or projection in the Forward-Looking Information; and
 - the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the Forward-Looking Information,

is contained in readily-available document or portion of such document and has identified that document or that portion of the document. In addition, the Corporation must also have a reasonable basis for drawing the conclusions or making the forecasts and projections set out in the Forward-Looking Information.

7. Timely Disclosure of Material Information

7.1 “**Material information**” consists of both “material facts” and “material changes”. A “**material fact**”, when used in relation to securities issued or proposed to be issued, means a fact that would reasonably be expected to have a significant effect on the market price or value of the securities of the Corporation. A “**material change**” means a change in the business, operations, capital of the Corporation or other event that would reasonably be expected to have a

significant effect on the market price or value of any of the securities of the Corporation or a decision to implement such a change if such a decision is made by the board of directors or other persons acting in a similar capacity or by senior management of the Corporation who believe that confirmation of the decision by the board of directors of the Corporation or such other persons acting in a similar capacity is probable.

- 7.2 Any person to whom this Policy applies who becomes aware of information that has the possibility of being Material Information must immediately disclose that information to the President or CFO. **Schedule “B”** attached hereto is a non-exhaustive list of examples of Material Information.
- 7.3 Upon the occurrence of an event that may constitute a material change in the Corporation’s business, the Disclosure Committee, in consultation with such other advisors as it may consider necessary shall:
- consider whether the event constitutes a material change;
 - if it does constitute a material change, prepare a press release and a material change report describing the material change as required under applicable laws;
 - determine whether a reasonable basis exists for filing the material change report on a confidential basis. (In general, filings will not be made on a confidential basis although, in exceptional circumstances (such as disclosure related to a potential acquisition), confidential disclosure may be appropriate);
 - circulate the draft press release and material change report to the members of the Board of Directors, Disclosure Committee and senior management together, if applicable, with the recommendation that it be filed on a confidential basis;
 - following approval by the Board of Directors, the Disclosure Committee and senior management, file the material change report on a confidential basis and when the basis for confidentiality ceases to exist, and the event remains material, issue a press release and file a material change report in compliance with applicable securities laws, including the Act. During the period of time while a confidential material change has not been publicly disclosed, the Corporation shall not release a document or make a public oral statement that, due to the undisclosed material change, contained a misrepresentation. It is recognized that the requirement to make prompt disclosure of material changes by way of press release may make it difficult to have a press release reviewed by the full Board. In such cases, the press release may be reviewed and approved by the Disclosure Committee.

- 7.4 News releases disclosing Material Information will be transmitted to the TSX, relevant regulatory bodies and major news wire services that disseminate financial news to the financial press and to daily newspapers that provide regular coverage of financial news in the areas where the Corporation has operations.
- 7.5 If the Disclosure Committee determines that any public disclosure made by the Corporation contains a misrepresentation or is in any material respect misleading, or there has been a failure by the Corporation to make timely disclosure of a material change, the Disclosure Committee will immediately take steps to ensure that correcting information is Generally Disclosed.

8. Internet Chat Rooms and Bulletin Boards

- 8.1 Board Members, Officers, Employees and Contractors must not discuss or post any information relating to the Corporation or any of its subsidiaries or trading in securities of the Corporation in Internet chat rooms, newsgroups, bulletin boards, web logs or other electronic media available to the public.
- 8.2 Board Members, Officers, Employees and Contractors must advise a member of the Disclosure Committee if they are aware of any discussion of Undisclosed Material Information or information of the Corporation in violation of Section 8.1 in a chat room, newsgroup, bulletin board, web logs or other electronic media available to the public.

9. Rumours

- 9.1 The Corporation shall not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. Spokespersons will respond consistently to those rumours, saying “It is our policy not to comment on market rumours or speculation.” In the event that the TSX or a securities regulatory authority requests that the Corporation make a statement in response to a market rumour, the Disclosure Committee will consider the matter and make a recommendation to the President of the Corporation as to the nature and context of any response.

10. Confidentiality of Undisclosed Material Information

- 10.1 “**Undisclosed Material Information**” of the Corporation is Material Information about the Corporation that has not been “**Generally Disclosed**”; that is, disseminated to the public by way of a news release together with the passage of a reasonable amount of time (24 hours, unless otherwise advised that the period is longer or shorter, depending on the circumstances) for the public to analyze the information.
- 10.2 Any person to whom this Policy applies and who has knowledge of Undisclosed Material Information must treat the Material Information as confidential until the Material Information has been Generally Disclosed.

- 10.3 Undisclosed Material Information shall not be disclosed to anyone except in the necessary course of business. If Undisclosed Material Information has been disclosed in the necessary course of business, anyone so informed must clearly understand that it is to be kept confidential, and, in appropriate circumstances, execute a confidentiality agreement in a form acceptable to General Counsel of the Corporation. **Schedule “C”** attached hereto lists circumstances where securities regulators believe disclosure may be in the “**necessary course of business**”. When in doubt, all persons to whom this Policy applies must consult with the CFO of the Corporation to determine whether disclosure in a particular circumstance is in the necessary course of business.

For greater certainty, disclosure to analysts, institutional investors, other market professionals and members of the press and other media will not be considered to be in the necessary course of business. “**Tipping**”, which refers to the disclosure of Undisclosed Material Information to third parties outside the necessary course of business, is prohibited.

- 10.4 In order to prevent the misuse of inadvertently disclosed Undisclosed Material Information, the procedures set forth below should be observed at all times:
- documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who “need to know” that information in the necessary course of business and code names should be used if necessary;
 - confidential matters should not be discussed in places where the discussion may be overheard;
 - transmission of documents containing Undisclosed Material Information by electronic means will be made only where it is reasonable to believe that the transmission can be made and received under secure conditions such as a dedicated server; and
 - unnecessary copying of documents containing Undisclosed Material Information must be avoided and extra copies of documents must be promptly removed from meeting rooms and work areas at the conclusion of the meeting and must be destroyed if no longer required.

11. Quiet Period

- 11.1 Each period (a) beginning on the last day of each fiscal quarter and each fiscal year, and (b) ending when the earnings for that quarter or year have been Generally Disclosed by way of a news release, will be a “**Quiet Period**”. During a Quiet Period, Spokespersons must not provide any Forward-Looking Information relating to the business and affairs of the Corporation or any of its subsidiaries, including information relating to expected revenues, net income or profit, earnings per share, expenditure levels, and other information commonly

referred to as earnings guidance (“Earnings Guidance”) or comments with respect to the financial results for the current fiscal quarter or current fiscal year. Notwithstanding these restrictions, the Corporation may Generally Disclose Forward-Looking Information during the Quiet Period when the Forward-Looking Information constitutes Undisclosed Material Information. During a Quiet Period, Spokespersons may respond to unsolicited inquiries about information that is either not Material Information or that has been Generally Disclosed.

12. Avoiding Selective Disclosure

- 12.1 When participating in shareholder meetings, news conferences, analysts' conferences and private meetings with analysts, Spokespersons must only disclose information that either (a) is not Material Information or (b) is Material Information but has previously been Generally Disclosed. For greater certainty, acceptable topics of discussion include the Corporation's business prospects (subject to the provisions of this Policy), the business environment, management's philosophy and long-term strategy. Any selective disclosure of Undisclosed Material Information, including Earnings Guidance, is not permitted.
- 12.2 To protect against selective disclosure, the procedures outlined in Section 6 (Procedures Relating to Public Oral Statements) should be followed to the extent practicable.
- 12.3 If material information that has not been Generally Disclosed is inadvertently disclosed, the Corporation must contact the parties to whom the Material Information was disclosed and inform them: (a) that the information is Undisclosed Material Information and (b) of their legal obligations with respect to the Material Information.

13. Analyst Reports

- 13.1 When reviewing analysts' reports in accordance with the procedure set out below, comments of Board Members, Officers, Employees and Contractors must be limited to identifying factual information that has been Generally Disclosed that may affect an analyst's model and pointing out inaccuracies or omissions with respect to information that has been Generally Disclosed.

Any comments must contain a disclaimer that the report was reviewed **for factual accuracy only**. No comfort or guidance shall be expressed on the analysts' earnings models or earnings estimates and no attempt shall be made to influence an analyst's opinion or conclusion.

- 13.2 Analysts' reports must not be circulated by Board Members, Officers, Employees and Contractors except when in the necessary course of business, nor shall they be posted on, nor linked from the Corporation's website.

- 13.3 The Corporation may from time to time give Earnings Guidance or any other Forward-Looking Information through voluntary disclosure by way of a news release, provided that the cautionary language described in Section 5.8 accompanies the information.

14. Trading of Securities of the Corporation

- 14.1 **“Insider Trading”**, which refers to persons in a Special Relationship with the Corporation purchasing or selling or otherwise monetizing securities of the Corporation while in possession of Undisclosed Material Information, is prohibited.
- 14.1 Board Members and certain Senior Officers and employees must notify and consult with the CFO before the purchase or sale of any securities of the Corporation. The current individuals subject to this approval requirement are set out in **Schedule “D”**. The CFO may designate any other member of the Disclosure Committee or the President to act as an alternate or delegate when the CFO, is not available. The CFO must obtain the approval of the President before the CFO sells any securities of the Corporation. The Individuals included in Schedule “D” may be updated or modified from time to time by the Disclosure Committee.
- 14.2 In addition to Section 14.1, Board Members, Officers, Employees and Contractors shall not purchase or sell or otherwise monetize securities of the Corporation except during a **“Trading Window”**, provided there is no **“Blackout Period”** in effect.
- 14.3 **“Trading Window”** means: (a) the period of time beginning on the third day on which the TSX is open for trading and on which the trading in the Corporation’s securities is not halted or suspended (a **“Trading Day”**) after the financial results for a fiscal quarter or fiscal year have been disclosed by way of a news release (a **“Financial News Release”**) and ending on the 14th day of the last month of that quarter and (b) any other period designated by the Disclosure Committee and communicated to those persons to whom this Policy applies.

“Blackout Period” means: (a) any time when trading securities of the Corporation is prohibited pursuant to this Policy; and (b) any other period designated by the Disclosure Committee and communicated to those persons to whom this Policy applies.

All Employees and Contractors not listed in Schedule D must, prior to (a) purchasing securities of the Corporation or (b) selling or otherwise monetizing securities of the Corporation, confirm with the CFO whether purchases or sales of the Corporation’s securities can be made.

- 14.4 The trading prohibitions in Sections 14.1, 14.2 and 14.3 do not apply to the acquisition of securities through the exercise of share options or purchase of Bonus shares, but do apply to the sale of the securities acquired through the exercise of the option.
- 14.5 Illegal Insider trading in securities of public corporations and issuers other than the Corporation and Tipping by persons in a Special Relationship with the Corporation can bring the Corporation into disrepute. Accordingly, neither the Corporation nor persons in a Special Relationship with the Corporation who are also persons in a Special Relationship with another corporation or issuer and who possess Undisclosed Material Information relating to that other corporation or issuer will (a) purchase or sell or otherwise monetize securities of the other corporation or issuer while they possess that undisclosed material information, or (b) engage in Tipping.

15. Insider Trade Reports

- 15.1 A Reporting Insider of the Corporation is required to file an initial insider report through SEDI, within ten (10) days of becoming a Reporting Insider and subsequent insider reports within five (5) calendar days following any trade of securities of the Corporation. If a Reporting Insider of the Corporation does not own or have control over or direction over securities of the Corporation, or if ownership or direction or control over securities of the Corporation remains unchanged from the last report filed, a report is not required.
- 15.2 The Reporting Insider must notify the CFO if they wish the Corporation to assist in the filing of the report and must complete the SEDI Questionnaire for Reporting Insiders (which can be obtained from the Finance Department or the CFO's assistant).
- 15.4 Each Reporting Insider is required to report to the CFO within two (2) days of the trade, any change in their interest in the Corporation's securities (i.e. purchases, sales, assignments or other transactions).

Note: Reporting Insiders must report all changes to the CFO, and not just the net result of changes, but details of each change in a series of changes, within two (2) days of such change. Reporting Insiders must disclose ownership and the type of securities of the Corporation held (e.g. debt or equity, voting or non-voting, common or preferred), any grant or exercise of options must also be updated. Transfers of securities in the name of an agent, nominee or custodian by a Reporting Insider must also be reported.

15.5 The System for Electronic Disclosure by Insiders ("SEDI")

All insider reports are required to be filed through SEDI. The following is a short summary of SEDI. Full details and further information can be found at www.sedi.ca.

Prior to filing anything on SEDI, an individual must register as a SEDI user. In order to do this an Insider would go to the SEDI website, www.sedi.ca, and in the upper right hand corner click on the words “register as a SEDI user” and answer all applicable questions. Once this has been completed you will be asked to submit and print. **DO NOT FORGET TO PRINT THE APPROPRIATE SCREEN.** Once submitted, you will be required to sign and fax the sheet to The Canadian Depository for Securities Limited (“CDS”) at the fax number indicated on the print out. You will not be registered as a user until you sign the certification and return this by fax or mail to CDS.

Once an insider has registered as a SEDI user, they will be required to file an insider profile. **Please note that if you are already an insider with another reporting issuer and already have an insider profile filed, you will only be required to attach the new reporting issuer to your existing profile. It will require an amendment being done to your existing insider profile.** If you do not have an insider profile currently filed on the system, you will need to file one once you have registered as a user. When you are ready to file your insider profile you go into the login section of the website and follow the directions and answer the questions that are asked. Once completed, submit your profile. The system is available for filings 24 hours a day, seven days a week. Please note that as the system is “hands on” once you submit anything, it is filed.

After you have an insider profile filed, you are ready to file your insider reports. Once again, you will need to login on the SEDI website, insert your password and security code, answer the questions and submit your report.

16. Consequences of Non-Compliance with this Policy

- 16.1 Any Board Member, Officer, Employee or Contractor who violates this Policy may face disciplinary action as is appropriate under the circumstances, including termination of his or her position for cause without notice.
- 16.2 Any person in a Special Relationship with the Corporation who violates this Policy may have also breached securities laws and the Corporation may refer the matter to the appropriate regulatory authority, which could lead to the imposition of fines, penalties or imprisonment. Violation of this Policy may also lead to civil liability for damages.

SCHEDULE “A”

Individuals and Entities to Whom This Policy Applies

“Board Members, Officers, Employees and Contractors” means a Board Member, Officer, Employee or Contractor of the Corporation or its subsidiaries. As described below, all Board Members, Officers, Employees and Contractors are also persons in a Special Relationship with the Corporation.

“Contractor” means an independent contractor who is engaged in an employee-like capacity by the Corporation.

“Employee” means a full-time, part-time, contract or secondment employee of the Corporation or any of its subsidiaries.

“Insider” means:

- (1) a Board Member or a Senior Officer of the Corporation;
- (2) a person who beneficially owns, directly or indirectly, more than 10% of the voting securities of the Corporation or who exercises control or direction over more than 10% of the votes attached to the voting securities of the Corporation (a **“10% Shareholder”**);
- (3) a Board Member or a Senior Officer of a subsidiary of the Corporation; or
- (4) a Board Member or a Senior Officer of a 10% Shareholder of the Corporation.

“Major Subsidiary” means a subsidiary of the Corporation if:

- (1) the assets of the subsidiary, as included in the Corporation’s most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are **30% or more** of the consolidated assets of the Corporation reported on the balance sheet or statement of financial position, as the case may be; or
- (2) the revenue of the subsidiary, as included in the Corporation’s most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is **30% or more** of the consolidated revenue of the Corporation reported on that statement.

“Management Company” means a person or company established or contracted to provide significant management or administrative services to the Corporation or a subsidiary of the Corporation.

“Officer” means those persons who are identified as an officer under applicable securities laws.

“Persons in a Special Relationship with the Corporation” means:

- (1) each Board Member, Officer, Employee and Contractor;
- (2) each 10% Shareholder;
- (3) each Board Member, officer, employee or contractor of a 10% Shareholder;
- (4) each member of an operating or advisory committee of the Corporation or its subsidiaries;
- (5) each Board Member, officer, partner and employee of a company that is engaging in any business or professional activity with the Corporation or its subsidiaries and who routinely comes into contact with Material Information;
- (6) each person or company that learned of Undisclosed Material Information with respect to the Corporation from a person or company described in (1) through (5) of this definition and knew or ought reasonably to have known that the other person or company was in such a special relationship; and
- (7) any spouse, live-in partner or relative of any of the individuals referred to in (1) through (6) who resides in the same household as that individual.
- (8) A company is considered to be a “**Subsidiary**” of another company if it is controlled by (a) that other, (b) that other and one or more companies, each of which is controlled by that other, or (c) two or more companies, each of which is controlled by that other; or it is a subsidiary of a company that is that other's subsidiary. In general, a company will control another company when the first company owns more than 50% of the outstanding voting securities of that other company.

“Reporting Insider” means an Insider of the Corporation if the Insider is:

- (1) The CEO, CFO, COO and the directors of (i) the Corporation, (ii) Significant Shareholder of the Corporation, and (iii) a Major Subsidiary of the Corporation;
- (2) A person or company that is responsible for a principal business unit, division or function of the Corporation;
- (3) A Significant Shareholder of the Corporation;
- (4) A Management Company that provides significant management or administrative services to the Corporation or a Major Subsidiary of the Corporation, and every director, CEO, CFO, and COO and Significant Shareholder of the management company;
- (5) An individual who performs functions similar to those described above; or

- (6) Any other Insider who both (a) in the ordinary course receives or has access to undisclosed material information and (b) directly or indirectly, exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the Corporation.

“Senior Officer” means:

- (1) the chair or a vice-chair of the Board of Directors of the Corporation or any of its subsidiaries, the President, CEO, CFO, COO, a Vice-President, the Corporate Secretary, an assistant secretary, the Treasurer, an assistant treasurer or the General Manager of the Corporation or any of its subsidiaries or any of their operating divisions; or
- (2) any other individual who performs functions for the Corporation or any of its subsidiaries similar to those normally performed by an individual occupying any of the offices listed in (1) above.

“Significant Shareholder” means a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, convertible or non-convertible securities representing more than 10% of the voting rights attached to all the Corporation’s outstanding voting securities. **Note:** Shareholders who cross the 10% threshold based on securities convertible into voting securities of the Corporation within 60 days are also subject to insider reporting requirements.

SCHEDULE “B”

Examples of Information That May Be Material (Based on National Policy 51-201 and Section 410 of the TSX Company Manual)

Changes in corporate structure

- changes in share ownership that may affect control of the company
- changes in corporate structure such as major reorganizations, amalgamations, or mergers
- take-over bids, issuer bids, or insider bids

Changes in capital structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange, or stock dividend
- changes in a company's dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to the rights of security holders

Changes in financial results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any period
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the company's assets
- any material change in the company's accounting policies

Changes in business and operations

- any development that affects the company's resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- significant discoveries by resource companies
- changes to the Board of Directors or executive management, including the departure of the company's CEO, CFO, COO or president (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors, and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the company's securities or their movement from one quotation system or exchange to another

Acquisitions and dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company

Changes in credit arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements

SCHEDULE “C”

Examples of Disclosures That May Be “Necessary in the Course Of Business”

(Reproduced from National Policy 51-201)

(1) Disclosure to:

- vendors, suppliers, or strategic partners on issues such as research and development, sales and marketing, and supply contracts;
- employees, officers and board members;
- lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to the Corporation;
- parties to negotiations;
- labour unions and industry associations;
- government agencies and non-governmental regulators;
- credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available);

(2) Disclosures in connection with a private placement; and

(3) Communications with controlling shareholders, in certain circumstances.

SCHEDULE “D”

Persons to whom Section 14 applies

Board of Directors

Mark Leonard
Steve Scotchmer
Ian McKinnon
Meredith Hayes
Rob Kittel
Paul McFeeters
Mark Miller
Jeff Bender

Senior Officers

Jamal Baksh (CFO, CSI)
Bernard Anzarouth (VP Bus Dev, CSI)
Mark Miller (COO, CSI and CEO, Volaris)
Brian Beattie (CFO, Volaris)
Jeff Bender (CEO, Harris)
Todd Richardson (CFO, Harris)
Barry Symons (CEO, Jonas)
Jeff McKinnon (CFO, Jonas)
Dexter Salna (President, Perseus)
Daniel Schmidt (CFO, Perseus)
John Billowits (CEO, Vela)
Robin van Poelje (CEO, TSS)
Matthieu van Amerongen (CFO, TSS)