



Insider Trading

There are applicable Canadian securities laws that are intended to prevent “insiders” or people who enjoy a “special relationship” with a Canadian public company from disclosing material “inside information” about the finances or the business activities of that Trust which is not yet publicly available. The same laws restrict disclosure of material inside information and restrict the timing and the circumstances under which “insiders” and persons in a “special relationship” can conduct any trades in the Trust’s securities or related financial instruments.

Who is an Insider or in a “Special Relationship”?

- a person who is a Trustee, Officer or Associate of the Trust or of any of its subsidiary entities.
- a person or company that engages in or proposes to engage in business activities with the Trust and who through that relationship becomes privy to material inside information with respect to the Trust.
- a person that has beneficial ownership of, or control or direction over, directly or indirectly, Trust securities carrying more than 10% of the voting rights attached to all outstanding Trust securities, and any director or officer of such person.
- a person who learned of any material inside information with respect to the Trust from any of the foregoing persons and knew or reasonably ought to have known that the other person was in a “special relationship” with the Trust (e.g. spouses, children, friends).

Trustees, Officers and certain Associates of the Trust and its material subsidiary entities are required to file insider reports pursuant to the Canadian System for Electronic Disclosure by Insiders (SEDI) with respect to their interest in Trust securities and related financial instruments. You will be informed if you are subject to such reporting requirements and the Trust will assist you in filing your SEDI reports.

What is Material Inside Information?

Material inside information is knowledge about the Trust or another entity that is not publicly known. It is any material information about the finances, financial plans, business activities or anticipated business activities of the Trust which have not been disclosed publicly. It is information that a reasonable investor is likely to consider important in making an investment decision. Common examples of material inside information include:

- Projections of future earnings or loss
- Annual and quarterly financial statements
- News of a significant or pending merger, acquisition, or tender offer



- News of a significant sale of assets
- Changes in management
- Business plans
- Leasing, property development, construction, and/or development information

Material inside information refers to inside information that, if disclosed, would reasonably be expected to significantly affect the market price or value of a security.

What Disclosure Restrictions Exist?

Anyone having knowledge of material inside information respecting:

- the Trust and its subsidiary entities; or
- any other public entity if the Trust (i) has a business relationship or proposes to have a business relationship with that other public entity, (ii) proposes to acquire a material proportion of the outstanding shares or equity interests or a substantial portion of the assets of that other public entity or (iii) proposes to enter into a reorganization, amalgamation, merger, arrangement or similar business combination with that other public entity,

is prohibited from informing anyone (including spouses, family members, others who live in the household, business partners, friends and/or others) of such material inside information, except in the necessary course of business, until after the material inside information has been disclosed to the public.

What constitutes disclosure in the “necessary course of business” is limited. Communications which are in the “necessary course of business” generally include communications required to be made for legitimate business reasons related to the conduct our business with:

- 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 company;
- parties to negotiations;
- government agencies and non-governmental regulators; and
- 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).

However, disclosure of material inside information to analysts, institutional investors or other market professionals would not be in the “necessary course of business”.



What Trading Restrictions Exist?

The buying and selling of units or other securities on the basis of material inside information is illegal. Insider trading of securities of the Trust, its customers, suppliers, or any other Trust is both unethical and illegal because it puts “outsiders” at a disadvantage in the marketplace, and can allow “insiders” to profit at the expense of outsiders. If a trade in securities becomes the subject of scrutiny, it will be viewed after-the-fact with the benefit of hindsight. Before engaging in any trade, you should carefully consider how the trade may be construed with the benefit of hindsight.

Associates and anyone else who is an insider or in a “special relationship” may not buy or sell securities of the Trust with knowledge of material inside information relating to the Trust. This prohibition does not apply to the automatic acquisition or disposition of Trust securities pursuant to an automatic acquisition or disposition plan approved by the Trust. Similarly, Associates, officers and Trustees may not buy or sell securities of any other public entity if the Trust (i) has a business relationship or proposes to have a business relationship with that other public entity, (ii) proposes to acquire a material proportion of the outstanding shares or equity interests or a substantial portion of the assets of that other public entity or (iii) the Trust proposes to enter into a reorganization, amalgamation, merger, arrangement or similar business combination with that other public entity.

Associates, officers and Trustees also may not engage in short selling and may not sell a call or buy a put on Trust securities.

Short selling means selling units one does not currently own and borrowing a third party’s units in order to make delivery, the whole in expectation that the units decrease in value when one repurchases the units and returns them to the owner. Selling a “call” on Trust securities gives someone else the right to buy Trust securities from you at a pre-established price on a later date and buying a “put” on Trust securities gives you the right to sell Trust securities to someone else at a pre-established price on a later date. Such transactions are subject to undue speculation and abuse and are therefore prohibited by the Trust.

Associates, officers and Trustees should avoid holding Trust securities in margin accounts with brokers. In the event of a margin call, securities you hold in a margin account may be sold by the broker without your consent, and there is a risk that such sale may occur at a time when you have knowledge of material inside information or are otherwise prohibited from trading.

Officers of the Trust, are not permitted to engage in transactions that could reduce or limit their economic risk with respect to their holdings of equity securities or deferred units and other equivalents to Trust securities granted as compensation or held, directly or indirectly, by an officer. Prohibited transactions include, for greater certainty, the purchase of financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of Trust securities, and entering into limited recourse loans secured by Trust securities.



Summary

In summary, Associates cannot:

- (a) buy, sell, or otherwise trade in securities of the Trust or any other public entity while in possession of material inside information regarding the Trust or other public entity;
- (b) pass material inside information on to others who may buy, sell, or otherwise trade in the affected securities; and/or
- (c) sell short securities of the Trust or sell call rights or buy put rights respecting Trust securities.

Restricted Persons/Black-Out Periods

While all Associates are subject to insider trading laws generally, there are certain individuals who, by virtue of their role, are what we call “restricted persons”. Because they may have knowledge of, or access to, material inside information, the trading activities of these individuals are further restricted by the Trust. They may not engage in any trading activity for specified periods of time throughout the year, known as a “black-out period”. These restricted persons can only trade during prescribed ‘window periods’, and even then, only if they do not have knowledge of any material inside information of the Trust at that time. Generally, restricted persons are Trust officers, Trustees, senior executives, senior management and other leaders, and Associates who frequently have access to material inside information. The CFO of the Trust will notify each person who is considered to be a ‘restricted person’.

The Trust’s announcement of its quarterly financial results has the potential to have a material effect on the market price or value of the Trust’s securities. Therefore, to avoid even the appearance of trading while aware of material inside information, restricted persons are prohibited from trading in Trust securities and from acquiring, disposing of, entering into, modifying or terminating a related financial instrument during the following black-out periods:

- (a) Quarterly - during the period commencing with the first day of each new quarter and ending the close of business on the second trading day after the release of the previous quarter's financial results; and
- (b) Annual - during the period commencing on January 1st and ending the close of business on the second trading day after the annual financial results are released.

In addition to the quarterly and annual black-out periods, the Trust may designate special black-out periods affecting designated restricted persons who will be instructed by the CFO not to trade until further notice is given. Note that the fact that a special black-out period is in effect may itself constitute material inside information or information that may lead to rumours and must be kept confidential.

A related financial instrument is (a) an instrument, agreement or security the value, market price or payment obligations of which are derived from, referenced to or based on the value, market



price or payment obligations of a Trust security, (b) any other instrument, agreement or understanding that affects, directly or indirectly, a person's economic interest in a Trust security and (c) any agreement, arrangement or understanding which affects the extent to which the person's economic or financial interests are aligned with those of the Trust.

Non-Compliance

Any Associate who violates this policy is subject to disciplinary action, which may include immediate dismissal and prosecution. In the case of Trustees, a violation may result in a request to resign from the Board.

Reporting Any Issues or Concerns

Compliance with this policy is necessary in order to comply with the Code of Business Conduct policy and guidelines, which supports the Trust's value of Dignity and Respect as a condition of employment. If you believe that you may have breached, or someone else has breached this policy, you have a responsibility and obligation to the Trust your fellow Associates, and yourself, to report any problems or irregularities.

At any time, if an Associate is uncertain about an appropriate course of action, they should seek the advice of their Manager or an Executive Manager, as appropriate and consistent with the Open Door Policy.

Alternatively, Associates may report, any suspected breach of the Code of Business Conduct policy, by telephone to a confidential AlertLine Hotline, toll free number 1-800-448-1693.