



**Vecima Networks Inc.
Insider Trading Policy**

1. Definitions

1.1 Blackout Period: means the period beginning three weeks after the end of a quarter or five weeks after the end of a fiscal year, or as soon as internal financial statements are available, whichever is sooner, and ending the second day following the general disclosure of financial results to the public.

1.2 Board of Directors: means the Board of Directors of Vecima Networks Inc.

1.3 CEO: means the Chief Executive Officer of Vecima Networks Inc.

1.4 CFO: means the Chief Financial Officer of Vecima Networks Inc.

1.5 COO: means the Chief Operating Officer of Vecima Networks Inc.

1.6 Officers: means any of the CEO, CFO, or COO of Vecima Networks Inc.

1.7 Company: means Vecima Networks Inc. or one of its subsidiaries, and Companies means Vecima Networks Inc. and its subsidiaries.

1.8 Generally Disclosed: means information that has been released via a news release distributed through a widely circulated news or wire service.

1.9 Material Change: in relation to the affairs of any Reporting Issuer, means a change in the business, operations, assets or ownership of that Reporting Issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of that Reporting Issuer, or a decision to implement such a change made by:

1.9.1 Senior management of that Reporting Issuer who believe that confirmation of the decision by the Board of Directors of that Reporting Issuer is probable, or

1.9.2 The Board of Directors of that Reporting Issuer.

1.10 Material Fact: in relation to securities issued or proposed to be issued by any Reporting Issuer, means a fact that would reasonably be expected to have a significant effect on the market price or value of such securities.

1.11 Material Information: means any information relating to the business and affairs of any Reporting Issuer, that results in, or would reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of that Reporting Issuer. Material Information includes both Material Changes and Material Facts. (See Schedule B for examples of potential Material Information)



1.12 **Necessary Course of Business:** refers to an exception to Tipping, as described in Section 4 of this Policy.

1.13 **Policy:** means the Vecima Networks Inc. Insider Trading Policy, as amended from time to time.

1.15 **Reporting Issuers:** refers to Vecima Networks and any other Subsidiary of Vecima Networks, which is a reporting issuer. At the time of constructing this Policy, Vecima Networks Inc. is the only reporting issuer.

1.16 **Special Relationship:** for the purpose of this Policy, a person is in a Special Relationship with a Reporting Issuer if the person:

1.16.1 Is a Vecima Networks employee, or

1.16.2 Is engaging in or is proposing to engage in any business or professional activity with or on behalf of any one of the Reporting Issuers, and includes, without limitation, a consultant.

1.17 **Subsidiary:** means an affiliated body corporate as defined by the *Canada Business Corporations Act*, as amended from time to time.

Exert from Canada Business Corporations Act Definitions, Section 2.5:

Subsidiary body corporate (5) A body corporate is a subsidiary of another body corporate if

(a) it is controlled by

(i) that other body corporate,

(ii) that other body corporate and one or more bodies corporate each of which is controlled by that other body corporate, or

(iii) two or more bodies corporate each of which is controlled by that other body corporate; or

(b) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate.

1.18 **Vecima Networks Employee:** refers to each director, officer, employee and contractor of Vecima Networks or any of its Subsidiaries.

1.19 **Tipping:** refers to a prohibited activity, as described in Section 4 of this Policy.

2. Objectives

2.1 The objectives of this Policy are to:



- 2.1.1 Educate Vecima Networks employees about their legal obligations with respect to Insider Trading and Tipping,
- 2.1.2 Foster and facilitate compliance with applicable laws to prevent transactions by Vecima Networks employees that would not be in full compliance with the legal requirements, and
- 2.1.3 To strengthen investors confidence in Vecima Networks securities through investor equality.

3. Insider Trading

3.1 Securities legislation prohibits anyone in a Special Relationship with Vecima Networks from trading in Vecima Networks securities with knowledge of a Material Fact or Material Change that has not been Generally Disclosed. This prohibited activity is commonly known as Insider Trading.

3.2 Securities legislation also prohibits anyone in a Special Relationship with Vecima Networks from trading in the securities of any public company other than Vecima Networks when he or she has knowledge of a Material Fact or Material Change regarding that other public company which has not been Generally Disclosed and which knowledge was gained:

- 3.2.1 During the course of his or her work at Vecima Networks,
- 3.2.2 Because he or she is in a Special Relationship with that other public company; or
- 3.2.3 Because he or she was tipped by another person who was in a Special Relationship with that other public company.

4. Tipping

Securities legislation prohibits a public company or any person in a Special Relationship with a public company from informing any other person, other than in the Necessary Course of Business, of a Material Fact or Material Change before the Material Fact or Material Change has been Generally Disclosed. This prohibited activity is commonly known as Tipping. Both the person who provides the information and the person who receives the information could be liable under securities laws if the person who receives the information trades in securities.

5. Employee Obligations

- 5.1 All Vecima Networks employees must:
 - 5.1.1 Not trade in securities of a Reporting Issuer while in possession of Material Information with respect to that Reporting Issuer which has not yet been Generally Disclosed.
 - 5.1.2 Not trade in the securities of another public company while in possession of Material Information regarding that public company which knowledge was gained during the course of their work at Vecima Networks, if the Material Information has not been Generally Disclosed to the public.



- 5.1.3 Not inform other people of Material Information regarding Vecima Networks before that Material Information has been Generally Disclosed, unless the Vecima Networks employee discloses that Material Information in the Necessary Course of Business.
- 5.1.4 Not inform other people of Material Information regarding a public company where they have gained knowledge of Material Information regarding that public company in the course of their work at Vecima Networks before that Material Information has been Generally Disclosed, unless the Vecima Networks employee discloses that Material Information in the Necessary Course of Business.

5.2 The Necessary Course of Business exception is a limited one and exists so as not to unduly interfere with a company's ordinary business activities. The exception could cover communications that are required to be made to further the business purposes of Vecima Networks with:

- 5.2.1 Vendors, suppliers or strategic partners on issues such as sales and marketing and supply contracts;
- 5.2.2 Employees, officers and board members;
- 5.2.3 Lenders, legal counsel and underwriters, auditors and other professional advisors to a company;
- 5.2.4 Parties to negotiations;
- 5.2.5 Credit rating agencies;
- 5.2.6 Industry associations; or
- 5.2.7 Government agencies.

6. Insiders

6.1 Additional obligations are imposed on Vecima Networks employees if they are Insiders or if they are subject to either regularly scheduled blackout periods or discretionary blackout periods (Blacked-out Employees).

6.2 Under securities laws, certain Vecima Networks employees are deemed to be Insiders of Vecima Networks and are required to file an Insider Report with securities regulators any time they trade in shares, debt securities, options (including the grant and exercise of options), deferred share units or restricted stock units of the Company, including certain derivative based transactions and equity monetization transactions related thereto. Examples of such derivative based transactions include total return swaps and credit default swaps. Insiders must file an Insider Report electronically through the System for Electronic Disclosure by Insiders (SEDI) within 10 days after each trade.

6.3 Insiders cannot engage in short selling of, or trading in puts, calls or options in respect to Vecima Networks securities.

6.4 Furthermore, Insiders must give the Corporate Secretary prior notice any time they wish to trade in any of the securities of Vecima Networks.



6.5 The following are Insiders of Vecima Networks:

- 6.5.1 Directors of Vecima Networks,
- 6.5.2 Officers of Vecima Networks,
- 6.5.3 Vice- Presidents of Vecima Networks, and
- 6.5.4 Any other Vecima Networks employee who is deemed to be an Insider by the Board of Directors or any Vecima Networks Officer. Any such employee shall receive notification.

6.6 Securities legislation provides some exemptions from filing insider reports. Vecima Networks may request and receive certain exceptions to filing and insider trading legislation from the Securities Commission from time to time and it is imperative that insiders be aware of such exemptions. Please contact the Corporate Secretary for further information on exemptions.

7. Blacked- out Employees

7.1 Vecima Networks employees are Blacked-out Employees if they:

- 7.1.1 Are subject to regularly scheduled blackout periods. Regularly scheduled blackout periods begin three weeks after the end of a quarter or five weeks after the end of a fiscal year, or as soon as internal financial statements are available, whichever is sooner, and end the second day following the general disclosure of financial results to the public.

All Insiders are automatically considered Blacked-out Employees and subject to regularly scheduled blackout periods. Other Vecima Networks employees who are designated Blacked-out Employees and subject to regularly scheduled blackout periods will receive notice of that fact.

- 7.1.2 Have received notice that they are subject to a discretionary blackout period. From time to time, in addition to the regular blackout periods provided in the clause above, following consultation with the CEO, CFO, Investor Relations, and the Corporate Council who may decide to initiate a discretionary blackout period at any time for a length of time deemed appropriate.

7.2 During the regularly scheduled blackout periods, the affected Blacked-out Employees cannot:

- 7.2.1 Trade in any shares or debt securities of Vecima Networks;
- 7.2.2 Exercise stock options;
- 7.2.3 Trade in deferred share units or restricted stock units;
- 7.2.4 Change the percentage contribution to their Vecima Networks employee share purchase plan; or
- 7.2.5 Join or withdraw from the Vecima Networks employee share purchase plan.



7.3 During a discretionary blackout period, the affected Blacked-out Employees cannot trade in the securities specified in the blackout notice.

8. Potential Civil and Criminal Penalties

The consequences of prohibited insider trading, tipping or a failure to file an insider report where required on a timely basis can be severe and may include fines and criminal sanctions.

9. Policy Communications and Consequences for Non-Compliance with this Policy

9.1 All Vecima Networks employees will be advised of this Policy and its importance. This Policy must be strictly complied with. Violations may be grounds for disciplinary action, including dismissal.

9.2 You are encouraged to report possible violations of this Policy. (See Section 11)

10. Personal Responsibility

It is the responsibility of all Vecima Networks employees to comply with the law and this Policy. Failure to do so may result in legal sanctions against the Company or its employees and/or sanctions by the Company against its employees.

11. Contact Persons

If you have any questions about any aspect of this Policy or your duties under it, please contact Investor Relations.

Schedule A

Insider Trading Quick reference list

DO NOT TRADE IN SECURITIES OF VECIMA NETWORKS OR OF ANOTHER PUBLIC COMPANY WHEN YOU:

- Know Material Information about Vecima Networks which has not been generally disclosed and disseminated to the public.
- Know Material Information about another public company, which has not been generally disclosed and disseminated to the public and you learned of such Material Information because of your business or dealings at Vecima Networks.
- Have received notice from the Corporate Secretary or his/her designee that you are subject to a blackout period.
- Have received any other notice from the Corporate Secretary's office that you cannot trade in securities.



Schedule B

Except from s. 4.3 of National Policy 51-201: Examples of Potential Material Information

The following are examples of information that would be Material Information if they result in, or would reasonably be expected to result in, a significant change in the market price or value of any of the listed securities of any one of the Reporting Issuers:

- Changes in share ownership that may affect control of a company
- Major reorganizations, amalgamations or mergers
- Takeover bids, issuer bids or insider bids
- Public or private sale of additional securities
- Planned repurchases or redemptions of securities
- Planned splits of common shares
- Changes in a company's dividend payments or policies
- Material modification to rights of security holders
- A significant increase or decrease in near-term earnings prospects
- Unexpected changes in financial results for any periods
- Changes in the value or composition of a company's assets
- Any development that affects the company's technology, products or markets
- Major labour disputes or disputes with major contractors or suppliers
- Significant new contracts, products, patents or services or significant losses of contracts or business
- The commencement of, or developments in, material legal proceedings or regulatory matters
- Significant acquisitions or dispositions of assets, property or joint venture interests
- The borrowing or lending of a significant amount of money
- Any mortgaging or encumbering of a company's assets
- Changes in rating agency decisions
- Significant new credit arrangements