



**DO NOT TRADE IN THE SECURITIES OF CUC OR  
ANY OTHER PUBLIC COMPANY WHEN YOU:**

- are in possession of Material Information in respect of CUC which has not been generally disclosed (see Schedule A for examples of potential Material Information);
- are in possession of Material Information in respect of a public company other than CUC which has not been generally disclosed and you have gained possession of such Material Information through your employment or business or dealings with CUC;
- are subject to a blackout period as set forth set Section 7.0; or
- have received any notice that you cannot trade in the securities of CUC or any other public company.

Each director, officer, consultant, contractor and employee of CUC is required to strictly abide by all applicable laws and this Policy at all times. This Policy is intended to supplement, not replace, applicable securities legislation. Any questions concerning this Policy or applicable laws should be directed to the CFO or Manager Corporate Compliance.

## **1.0 OBJECTIVE**

- 1.1** The objective of this Insider Trading Policy (the "**Policy**") is the promotion of honest, ethical and lawful conduct with respect to trading in any securities of CUC by any Person affiliated with CUC or any of its Subsidiaries. This Policy applies to any and all transactions in the securities of CUC and is intended to supplement the requirements of applicable securities laws.

## **2.0 APPLICATION OF POLICY**

- 2.1** There are two components to this Policy applicable to any Person affiliated with CUC or any of its Subsidiaries:
- (1) provisions relating to the trading of Securities, which apply to all Insiders; and
  - (2) provisions relating to the reporting of trades of Securities, which apply only to Reporting Insiders.

## **3.0 DEFINITIONS**

- 3.1** "**CEO**" means the President and Chief Executive Officer of CUC.
- 3.2** "**CFO**" means the Vice President Finance, Corporate Services & Chief Financial Officer of CUC.
- 3.3** "**Family Member**" means, in relation to any director, officer or employee, any spouse, relative or other person who is ordinarily resident in the same household as such director,



officer or employee, or any other relative over whom such director, officer or employee exercises control or direction over the trading in Securities by such person.

**3.4 "Insider" means:**

- (1) every director of CUC;
- (2) every officer of CUC;
- (3) every director of an entity that is a Subsidiary or an insider of CUC;
- (4) every officer of an entity that is a Subsidiary or an insider of CUC;
  
- (5) any Person that directly or indirectly, (i) beneficially owns Securities, (ii) exercises control or direction over Securities, or (iii) both beneficially owns and exercises control or direction over Securities, which in any of the foregoing circumstances carry more than 10% of the voting rights attached to all outstanding Securities;
  
- (6) CUC, if it has purchased, redeemed or otherwise acquired any Securities, for so long as it holds such Securities; and
  
- (7) every employee of CUC or any of its Subsidiaries that is designated as an Insider from time to time by the CEO, CFO or Manager Corporate Compliance.

**3.5 "Insider Trading Report" means** (i) an initial report disclosing any direct or indirect beneficial ownership of, or control or direction over, Securities and any interest in, or right or obligation associated with, Related Financial Instruments, and (ii) a report of any acquisition, disposition or change in beneficial ownership of, or control or direction over, Securities or any change in an interest in, or right or obligation associated with, Related Financial Instruments required to be filed by a Reporting Insider through SEDI in accordance with National Instrument 55-102 under applicable securities laws.

**3.6 "Subsidiary or Subsidiaries" means** any company which is a subsidiary of the Company. For purposes of this Policy, a body corporate shall be deemed to be a subsidiary of another body corporate if:

- (1) 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
- (2) it is a subsidiary of a body corporate that is a subsidiary of that other body corporate; and
- (3) for purposes of this definition, "body corporate" may mean a Company, partnership, joint venture or similar entity which may exercise control and over which control may be exercised.

**3.7 "Major Subsidiary" means** a Subsidiary of CUC if:



- (1) the assets of the Subsidiary, on a consolidated basis with its Subsidiaries, as included in the most recent annual audited balance sheet of CUC, are 30% or more of the consolidated assets of CUC as reported on that balance sheet; or
- (2) the revenue of the Subsidiary, on a consolidated basis with its Subsidiaries, as included in the most recent annual audited income statement of CUC, are 30% or more of the consolidated revenues of CUC as reported on that income statement.

**3.8 "Material Information"** means information relating to the business and affairs of CUC that results in, or would reasonably be expected to result in, a significant change in the market price or value of any Securities, and includes any information that a reasonable investor would consider important in making an investment decision. Examples of such Material Information are set forth at Schedule A hereto.

**3.9 "Person"** includes any individual, body corporate, partnership, association, trust and any other form of entity or organization, and a trustee, executor, administrator or legal representative of a person.

**3.10 "Related Financial Instrument"** means an agreement, arrangement or understanding to which an Insider is a party, the effect of which is to alter, directly or indirectly, the Insider's economic interest in a Security or economic exposure to CUC, including, but not limited to, CUC performance share units granted by CUC pursuant to the Performance Share Unit Plan.

**3.11 "Reporting Insider"** means:

- (1) every director and officer of CUC;
- (2) every director, the CEO and the CFO of a Major Subsidiary; and
- (3) any other Insider designated from time to time as a Reporting Insider by the CFO or the Manager Corporate Compliance, on the basis that such Insider:
  - (i) in the ordinary course receives or has access to Material Information concerning CUC before such Material Information is generally disclosed; and
  - (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of CUC.

**3.12 "Securities"** means any class or series of common or preferred shares, options, warrants, subscription receipts, debentures, notes and any other type of securities that may be issued by CUC.

**3.13 "Securities Act"** means the *Securities Act* (Ontario).

**3.14 "SEDI"** means the online computer system providing for the transmission, receipt, review and dissemination of insider reports and related information filed electronically and known as the System for Electronic Disclosure by Insiders as operated by the Canadian Securities Administrators in accordance with National Instrument 55-102.



**3.15 "special relationship"**, when used in reference to CUC, is defined in the Securities Act and includes:

- (1) Insiders;
- (2) affiliates and associates of CUC;
- (3) insiders, affiliates or associates of any Person that is proposing to make a take-over bid for CUC;
- (4) insiders of a Person that is proposing to become a party to a reorganization, amalgamation, merger or arrangement or similar business combination with CUC or to acquire a substantial portion of its property;
- (5) tippees; and
- (6) every Person (and its directors, officers and employees) that is engaging or that proposes to engage in any business or professional activity with or on behalf of CUC and with or on behalf of a Person who proposes to make a take-over bid for CUC or become a party to a business combination with CUC or acquire a substantial position of its property.

**3.16 "Trading Day"** means a day on which the Toronto Stock Exchange, or any stock exchange on which any Securities are listed, is open for trading.

#### **4.0 CORPORATE POLICY**

**4.1** Canadian securities laws prohibit "insider trading" and impose restrictions on trading in Securities while in possession of undisclosed Material Information. It is the policy of CUC to maintain the highest standards with respect to trading of Securities by its directors, officers and employees. Such trading must comply with the insider trading requirements of applicable securities legislation, the Toronto Stock Exchange and any stock exchange on which any Securities are listed. The purpose of the rules set out in this Policy is to prevent persons in possession of, or who have knowledge of, Material Information not generally disclosed to the public from taking advantage of such information (whether intentionally or otherwise) through trading in Securities. This Policy is also intended to ensure the directors, officers and employees of CUC and its Subsidiaries act, and are perceived to act, in accordance with applicable laws and the highest standards of ethical and professional behaviour.

**4.2** The Board is of the opinion that it is in the best interest of CUC that directors, officers and employees hold Securities, and acknowledges that these persons should be entitled to trade in the Securities. This Policy is not intended to provide an in-depth legal analysis of insider trading rules, but rather to serve as a guideline for the purpose of limiting the possibility of illegal or inappropriate use of undisclosed Material Information. The onus of complying with



this Policy and the relevant insider trading and other security legislation lies with each individual director, officer and employee of CUC and its Subsidiaries, each of whom is expected to be familiar with this Policy and such legislation and to comply fully therewith. A director, officer or employee who violates this Policy may face disciplinary action up to and including termination of his or her employment or position as director. A breach of this Policy may also violate certain securities laws. If CUC discovers that a director, officer or employee has violated such securities laws, it may refer the matter to the appropriate regulatory authorities.

## **5.0 TRADING IN SECURITIES**

**5.1** The prohibitions contained in the Securities Act against insider trading apply to Persons that are in a special relationship with CUC. As a general rule, no Insider or Family Member shall trade in Securities if such trade:

- (1) is made without prior discussion with the CFO or the Manager Corporate Compliance to determine whether there are any important developments pending which need to be made public before an Insider could properly participate in the market;
- (2) relates to the making of a short-term investment (less than 6 months) in the Securities;
- (3) is made with knowledge of any undisclosed Material Information;
- (4) is made when the fullest public disclosure of all material facts relating to the business and affairs of CUC has not been made by CUC;
- (5) involves selling, directly or indirectly, Securities that such person does not own (short selling);
- (6) involves trading in "puts" or "calls" or other hedging transactions with respect to the Securities; or
- (7) involves any Person to whom this Policy applies, acting alone or together with any other Person or company, directly or indirectly engaging in any activity:
  - (i) that is or appears to be contrary to the interests of CUC or its ongoing success;
  - (ii) that creates or may create a false or misleading appearance of trading activity in the Securities;
  - (iii) that has a direct or indirect effect of setting an artificial price for the Securities; or
  - (iv) that otherwise interferes with the free determination by the market of the market price for the Securities.

**5.2** Notwithstanding sections 5.1(3) and (4) and section 6.1, but subject to section 5.1(1), an Insider will as a general rule be permitted to exercise options to purchase Securities provided



that the Insider does not trade in the underlying Securities acquired upon the exercise of such options. Any such subsequent trade in the underlying Securities shall, for greater certainty, constitute a distinct trade that is subject to all of the provisions of this Policy.

- 5.3** An Insider may not hold Securities in a margin account or pledge Securities as collateral because a margin or foreclosure sale may occur when such Insider is aware of undisclosed Material Information or otherwise prohibited from trading in Securities. Under certain circumstances an exception may be granted for an Insider to pledge Securities as collateral for a loan (not including margin debt) where the Insider clearly demonstrates the financial capacity to repay the loan without resorting to the pledged securities. Any Insider that wishes to do so must submit a request for approval to the Board of Directors at least two weeks prior to the proposed execution of documents evidencing the proposed pledge and the Board of Directors shall be absolute discretion over approving or rejecting such proposed pledge.

## **6.0 TIPPING**

- 6.1** A Person in a "special relationship" with CUC is prohibited from informing another Person (other than in the necessary course of business) of Material Information before it has been generally disclosed (generally known as "tipping"). A Person (a "tippee") who learns of undisclosed Material Information from any other Person in a special relationship with CUC, including another tippee, and who knows or ought reasonably to have known that the other Person was in a special relationship with CUC, is also prohibited from purchasing or selling Securities or from informing another Person of the undisclosed Material Information.

- 6.2** For purposes of this Section, the "necessary course of business" exception is a limited one and exists so as not to unduly interfere with Company's ordinary business activities. Pursuant to the Company's *Disclosure Policy*, disclosure of non-public Material Information will be permitted in limited circumstances, including to parties with a signed confidentiality agreement with CUC or parties subject to professional conduct obligations of confidentiality such as lawyers, accountants, rating agencies and regulators.

## **7.0 BLACKOUT PERIODS**

- 7.1** Insiders and Family Members must refrain from trading in Securities:

- (1) during the period commencing fifteen (15) calendar days before and ending two (2) Trading Days following the announcement of annual and quarterly earnings of CUC;
- (2) during the period commencing fifteen (15) calendar days before and ending two (2) Trading Days following the date of each regularly scheduled meeting of the Board of Directors of CUC; and
- (3) during the period identified in any notice issued to Insiders by the CFO or Manager Corporate Compliance implementing a blackout period.



- 7.2** Acquisition of Securities or Related Financial Instruments through automatic reinvestment of dividends or notional dividends in accordance with the Dividend Reinvestment Plan, the Customer Share Purchase Plan, the Employee Share Purchase Plan, the Performance Share Unit Plan or any successor, replacement or similar plan are not subject to the provisions of section 7.1. Optional cash investments under such plans, however, are only exempt from the provisions of section 7.1 if a clear purchase pattern has been established, or subscriptions are submitted well in advance of share purchase dates.
- 7.3** Any Person who has ceased to be an Insider by reason of the termination of his or her relationship with CUC or any Subsidiary must continue to comply with this Policy, including the obligation to pre-clear any trade and observe the blackout periods herein prescribed, until such time as any Material Information in such Person's possession that was not generally disclosed on the date of such termination has become public or is no longer Material Information and, in any event, for a period of thirty (30) calendar days from the date of such termination.

## **8.0 INSIDER REPORTING REQUIREMENTS**

- 8.1** Each Reporting Insider is required to file an insider trading report within the following time periods, or such earlier period as may be prescribed by securities legislation:
- (1) within ten (10) calendar days following the date of becoming a Reporting Insider disclosing any direct or indirect beneficial ownership of, or control or direction over, Securities and any interest in, or right or obligation associated with, Related Financial Instruments;
  - (2) within five (5) calendar days following the date of any acquisition, disposition or change in beneficial ownership of, or control or direction over, Securities or any change in an interest in, or right or obligation associated with, Related Financial Instruments; and
  - (3) within five (5) calendar days following the grant, exercise, or expiration of any option to acquire Securities or Related Financial Instruments.
- 8.2** A Reporting Insider may elect to avail of the reporting exemptions set out in Part 5 of National Instrument 55-104 in respect of (i) Securities acquired through re-investment of dividends in accordance with the Dividend Reinvestment and Share Purchase Plan (as operated by CUC but not a third party), the Customer Share Purchase Plan or the Employee Share Purchase Plan, or (ii) Related Financial Instruments acquired as dividend equivalent payments under the Performance Share Unit Plan, or other qualifying plans, to report such acquisitions of Securities or Related Financial Instruments, as applicable, on or before March 31 of the subsequent calendar year.



- 8.3** If CUC, at its sole discretion, elects to file an issuer grant report in respect of a grant of Securities or Related Financial Instruments, upon being notified of such a grant, a Reporting Insider may elect to avail of the reporting exemptions set out in Part 6 of National Instrument 55-104 in respect of Securities granted under a compensation arrangement (as operated by CUC but not a third party) or Related Financial Instruments granted under the Performance Share Unit Plan or other qualifying plans, to report such acquisitions of Securities or Related Financial Instruments, as applicable, on or before March 31 of the subsequent calendar year.
- 8.4** Insider Trading Reports must be filed through SEDI either directly or with the assistance of the Manager Corporate Compliance or the Compliance Officer and in every case each of whom nevertheless must be advised of any Insider Trading Report filed by a Reporting Insider.
- 8.5** Compliance with applicable insider trading reporting obligations requires the Reporting Insider to report (i) all Securities over which the Person (A) has direct or indirect beneficial ownership or (B) exercises control or direction and (ii) all Related Financial Instruments in which the Person has an interest, right or obligation. Each Reporting Insider must give careful consideration to ensuring that all such Securities or Related Financial Instruments are reported, including Securities or Related Financial Instruments that may be held through:
- (1) a broker or intermediary;
  - (2) a Company, trust or other entity that is controlled by the Reporting Insider or a Family Member;
  - (3) a Family Member; or
  - (4) an investment club, company or partnership over which the Reporting Insider exercises investment control.

This is not an exhaustive list and if any Reporting Insider has any doubt regarding whether Securities or Related Financial Instruments should be included in an Insider Trading Report, he or she should contact the persons noted in section 8.1.

## **9.0 RESPONSIBILITY**

- 9.1** Substantial criminal and civil sanctions exist for violations of insider trading laws. Insiders are responsible for compliance with the securities laws and for timely filing of Insider Trading Reports. **Failure to comply with this Policy may also result in disciplinary action up to and including termination.** Any questions or concerns regarding this Policy or insider trading generally should be directed to the Manager Corporate Compliance or to the Secretary of the applicable Subsidiary.

## **10.0 EFFECTIVE DATE**

This policy was initiated in July 2004 and is effective as revised and approved by the Board of Directors on November 6, 2018.





### **11.0 POLICY REVIEW**

This Policy shall be reviewed annually.

Policy Review Administered by: Nominating and Corporate Governance Committee and Board of Directors.

Division Responsible: Finance and Corporate Services

### **12.0 POLICY REVISION HISTORY:**

<b>Revision</b>	<b>Date</b>	<b>Description of changes</b>	<b>Approved by</b>
0	July 31 2004	Initial release and implementation	Board of Directors
1	November 1 2010	Changes: Reformatting, updating	Board of Directors
4	August 2016	Reformatting, updating, addition of definitions	Board of Directors
5	November 6, 2018	Change of name : Compliance Administrator to Compliance Officer	Board of Directors



**SCHEDULE A  
Material Information**

**Examples of Material Information include:**

- (a) annual or quarterly financial results;**
- (b) significant shifts in operating or financial circumstances such as major write-offs, changes in earnings projections, the entering into of a significant new or loss of a significant contract;**
- (c) significant changes in management;**
- (d) significant litigation;**
- (e) a major labour dispute or a dispute with a major contractor or supplier;**
- (f) a change in capital investment plans or corporate objectives;**
- (g) any significant regulatory developments;**
- (h) a change in capital structure, including the public or private sale of securities of the Company, or change in the corporate structure that affects the control of the Company;**
- (i) borrowing of a significant amount of funds;**
- (j) a major corporate acquisition or disposition, including any take-over bid; and**
- (k) an event of default under a financing or other agreement.**

**This list is not intended to be exhaustive. Other information may also constitute Material Information of the Company.**