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	HUMAN RESOURCES POLICY	Issued by: Legal Affairs Department Approved by: <b>Board of Directors / Management Committee</b>
TITLE: <b>CONFLICT OF INTEREST</b>		

**THIS POLICY IS COMPULSORY**

Only the versions listed below are considered as OFFICIAL references:

- An original version contained in the Human Resources Policy Manual of the Human Resources Department at the Uni-Select Inc. head office.
- An amended printed version as issued from time to time.

This policy is an integral part of the Uni-Select Inc. employment contract and strict compliance with it is therefore mandatory.

## **1. SCOPE**

This policy applies to all employees, officers and directors of Uni-Select Inc. and its subsidiaries regardless of geographic locations and job positions.

This policy neither replaces nor supersedes the laws or regulations governing the Company in force at any time. The Company undertakes to respect and comply with all laws and regulations in force.

All employees, officers and directors must comply with the laws and regulations in force and show honesty, loyalty, prudence, diligence, efficiency, assiduity and good faith in the performance of their duties.


## **2. PURPOSE**

To establish a policy setting out directives that shall apply, without exception, to all officers and employees of the Company, its managers and directors, as well as their immediate families.

To put in place mechanisms to protect against a potential or apparent conflict of interest between an individual's private interests and the interests of the Company.

To maintain a high level of integrity in carrying out professional activities and to ensure compliance with the laws, regulations and highest standards of professional conduct in every country in which the Company carries on business.

It is possible that, despite all of the Company's efforts, a potential or apparent conflict of interest arises and it is, therefore, of the utmost importance that the parties involved

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be able to discuss the situation in good faith as soon as possible in order to resolve the situation and ensure that it does not recur.

## 2.1 Basic Principles

In general, any employee, officer or director of the Company must not have any dealings, ties or interests which could deprive the Company of their loyalty when they are acting in the name of the Company.


Consequently, in order to control such situations, it is a principle of the Company to require that every employee, officer or director disclose to the Company any dealings, activities or outside interests which could present a potential or apparent conflict of interest which would leave the Company or the party concerned open to criticism.

The purpose of this policy is, therefore, to protect the interests of the Company by maintaining the honesty and appearance thereof of those responsible for the Company's business development and orientations and ensuring that the Company continues to prosper without having regard to their personal interests or outside influences.


All employees, officers or directors must deal with fairness and impartiality in their dealings with suppliers, clients and/or other persons in a business relationship with the Company without any favouritism or preference based on personal financial considerations or unjustified non-financial benefits.

While impossible to provide an exhaustive list of, or an example of, every dealing or activity that may be considered as being a potential or apparent conflict of interest, the following situations must be disclosed to and approved by the Company:

- a) An employee, officer or director, or a close relative has, directly or indirectly, a financial interest in a business or company which is in competition with the Company, that carries on or wishes to carry on business with the Company or that may influence any decision which said employee, officer or director may make in performing his professional duties with the Company, in excess of one percent (1%) of its equity;

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- b) An employee, officer or director, or a close relative, is employed, namely as an officer, manager or consultant, by a business or company that has dealings with the Company or is in competition with the Company, that carries on or wishes to carry on business with the Company or that may influence any decision which said employee, officer or director may make in performing his professional duties with the Company;
- c) An employee, officer or director conducts business with a close relative on behalf of the Company;
- d) An employee, officer or director, or a close relative, accepts gifts of a commercial value, tickets for sought-after shows or games, discounts or other benefits from a company which does business with the Company (other than a subsidiary or affiliate), from a competitor or from an officer, manager, representative or consultant with said company or competitor;
- e) An employee, officer or director represents the Company in a third-party transaction (involving goods or services) in which they, a close relative or a business associate has an interest in excess of one percent (1%) of the equity of the other company;
- f) The disclosure of confidential information relating to the Company or its business to anyone, including to another employee when the information is not necessary to carry on their duties, or the use of confidential information relating to the Company or its business for their personal benefit or the benefit of another employee or third party;
- In Québec, the *Civil Code of Quebec* expressly recognizes an employee's duty of loyalty and prohibits them from using any confidential information obtained in carrying on or in the course of his duties;
  - In addition, in Canada and the United States, securities laws provide severe penalties for the disclosure or use of privileged information by an employee or third party;
- g) An employee, officer or director finds itself in direct or indirect competition with the Company in connection with a purchase, sale or any other transaction or, uses a business opportunity of the Company for personal purposes;

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- h) An employee, officer or director accepts employment or payment for services rendered from an individual or company, other than the Company, where said employment is detrimental to, or in conflict with, their duties with the Company or, if said employment involves the use of the premises, equipment or resources of the Company.

## 2.2 Disclosure of a Potential or Apparent Conflict of Interest and Approval

No employee, officer or director shall commit to or develop a professional relationship with an individual or company or become involved in any initiative or action whatsoever in which they believe there is a potential or apparent conflict of interest without previously requesting approval.


In the event approval is not granted, the party involved will immediately take the necessary measures to resolve the discrepancy, and request further approval, or terminate the situation.

All employees have a duty to inform their immediate supervisor of the existence of any potential or apparent conflict of interest. The immediate supervisor must notify the Vice President responsible for the business unit or employee involved who will review such cases with the Vice President, Human Resources. The Vice President, Human Resources will decide whether the situation could be in violation of this policy or whether it is or could be prejudicial to the interests of the Company or to its business. If it is concluded that a violation or prejudice exists, all actions necessary to remedy the situation shall be immediately taken.

Officers shall promptly report to the President and Chief Executive Officer and Directors shall promptly report to the Chair of the Board, or to the Chair of the Human Resources and Compensation Committee, any material personal financial interests in, or employment or position with, any business or company which is in competition with the Company or which carries on or wishes to carry on business with the Company or any other situation which may give rise to a potential or apparent conflict of interest.

The cooperation of all employees, officers and directors of the Company is required during an investigation or inquiry pursuant to this policy.

**Failure to comply with this Policy is grounds for disciplinary action up to and including, for officers and employees, termination of employment or, for Directors, removal from the Board of Directors.**

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Disciplinary action taken in a situation of a potential or apparent conflict of interest will be approved by the Vice President, Human Resources with regards to situations involving employees, the President and Chief Executive Officer with regards to officers and by the Chairman of the Board with regards to Directors, as applicable.

### **2.3 Potential or Apparent Conflicts of Interest Prior to and/or After Hiring**


If there is a potential or apparent conflict of interest at the time of hiring of employees or officers, the situation must be corrected before the end of the probationary period. In the case of directors, the conflict of interest must be disclosed prior to nomination and at any time such potential or apparent conflict may arise.

Any officer authorized to hire, transfer or promote an employee must obtain the approval of the Vice-President, Human Resources before hiring, transferring or promoting one of their relatives or friends, in order to ensure that employees benefit from an equitable management of business relations free of favouritism and nepotism, in order to prevent potential or apparent conflicts of interest and deal with concerns regarding partiality, while ensuring that the decision be made in a professional, justified and non-excessive manner.

Where it is not practical to obtain prior approval, as for example in the case of a potential conflict of interest resulting from a marriage or inheritance, the situation must be reported within thirty (30) days after the event.

In any case of a potential or apparent conflict of interest, the director must immediately notify the Chair of the Board, excuse himself from the deliberations and abstain from voting.

The President and all officers will take the measures necessary to publicize, implement and enforce this policy by ensuring that their staff receives appropriate training in this endeavour.

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## Declaration and Confirmation of Receipt of Document

1. I declare that I have read and understood the content of policy RH-GEN-04 "Conflict of Interest" of Uni-Select and that I have signed this form of my own accord. I have also received a copy of said policy.
  
2. **The signed original** of the "Declaration" must be sent to the Human Resources Department at head office and placed in the employee's file. A **copy** of the signed form shall be provided to the employee.

Signed on the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_ at \_\_\_\_\_

Name and title of signatory (please print): \_\_\_\_\_

Signature: \_\_\_\_\_

Division and Department: \_\_\_\_\_

Immediate supervisor: \_\_\_\_\_

**ORIGINAL RETURNED TO:** Human Resources Department  
Copy to employee