



**Code of Business Conduct and Ethics**

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<b>1.</b>	<b>Introduction .....</b>	<b>2</b>
<b>2.</b>	<b>Purpose.....</b>	<b>2</b>
<b>3.</b>	<b>Conflicts of Interest.....</b>	<b>2</b>
<b>4.</b>	<b>Proper Use of Corporation Assets .....</b>	<b>3</b>
<b>5.</b>	<b>Corporate Opportunity .....</b>	<b>3</b>
<b>6.</b>	<b>Confidentiality .....</b>	<b>3</b>
<b>7.</b>	<b>Competition and Fair Dealing.....</b>	<b>3</b>
<b>8.</b>	<b>Compliance with Applicable Laws, Rules and Regulations .....</b>	<b>4</b>
<b>9.</b>	<b>No Retaliation .....</b>	<b>4</b>
<b>10.</b>	<b>Gifts .....</b>	<b>4</b>
<b>11.</b>	<b>Respect in the Workplace .....</b>	<b>4</b>
<b>12.</b>	<b>Insider Trading.....</b>	<b>5</b>
<b>13.</b>	<b>Public Corporation Reporting .....</b>	<b>5</b>
<b>14.</b>	<b>Corporate Books, Records, Documents and Accounts .....</b>	<b>5</b>
<b>15.</b>	<b>Waiver .....</b>	<b>5</b>
<b>16.</b>	<b>Compliance with the Code.....</b>	<b>6</b>

## **1. Introduction**

Vecima Networks Inc. (the “Corporation”) is committed to high standards of ethical, moral and legal business conduct. This Code of Business Conduct and Ethics (the “Code”) has been adopted to help the Corporation’s personnel meet these standards. All directors, officers and employees of the Corporation and its subsidiaries must conduct themselves in accordance with this Code. Adherence to this Code is critical to our success and inspires trust and confidence on the part of our employees, customers, shareholders, the public and other stakeholders. In this Code, references to the Corporation include the Corporation’s subsidiaries, unless the context requires otherwise.

While this Code is designed to provide helpful general principles, it is not intended to cover every issue that may arise. Nonetheless, in every instance, we expect all personnel to act honestly, ethically and fairly. Those who violate this Code will be subject to disciplinary action, up to and including termination of employment. In addition, violation of domestic or foreign laws, rules and regulations may subject you, as well as the Corporation, to civil and/or criminal penalties.

## **2. Purpose**

The purpose of this Code is to deter wrongdoing and to promote:

- Honest and ethical conduct, including ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Protection and proper use of corporate assets and opportunities;
- Confidentiality of corporate information;
- Fair dealing with the Corporation’s shareholders, customers, suppliers, competitors and employees;
- Compliance with all applicable laws, rules and regulations;
- Prompt internal reporting of violations of the Code; and
- Accountability for adherence to the Code.

To facilitate compliance with this Code, we have designated the Corporate Secretary of the Corporation as the person to whom you can address any questions or concerns and the CEO is charged with promoting an atmosphere of responsible and ethical conduct. Alternatively, you may address any questions or concerns to the Chair of the Audit Committee.

## **3. Conflicts of Interest**

A conflict of interest may exist whenever the private interests of a director, officer or employee interfere or conflict in any way with the interests of the Corporation, or impair, or could be perceived to impair a director’s, officer’s, or employees’ business judgment. Decisions should be made strictly on the basis of the Corporation’s best interests, without regard to

personal concerns. While directors, officers and employees should be free to make personal investments and enjoy social relations and normal business courtesies, they must not have any personal interests that adversely influence the performance of their job responsibilities. Conflicts of interest may also arise when a director, officer or employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Corporation, whether received from the Corporation or a third party. In addition, absent an express written consent or waiver from the Corporation, no employee or officer of the Corporation shall work simultaneously for a competitor, customer or supplier.

Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with the Corporate Secretary. Any director, officer or employee who becomes aware of a conflict or potential conflict must bring it to the attention of the Corporate Secretary.

#### **4. Proper Use of Assets of the Corporation**

All directors, officers and employees should protect the Corporation's assets and ensure their proper and efficient use. Theft, carelessness, and waste have a direct impact on the Corporation's profitability. All Corporation assets should be used for legitimate business purposes.

#### **5. Corporate Opportunity**

Directors, officers and employees are prohibited from: (a) taking for themselves personally any opportunities that belong to the Corporation or are discovered through the use of corporate property, corporate information or their position in the Corporation without the consent of the CEO, who will then report any accommodations to the Board; (b) using corporate property, corporate information or their position in the Corporation for personal gain; and (c) competing with the Corporation directly or indirectly.

#### **6. Confidentiality**

All directors, officers and employees must maintain the confidentiality of material information entrusted to them by the Corporation, its suppliers or its customers, except when disclosure is authorized by the Corporation or required by laws, regulations or legal proceedings by a competent court. The Corporation has also adopted a Corporate Disclosure Policy to facilitate proper disclosure practices, a copy of which is available at [www.vecima.com](http://www.vecima.com). Directors, officers and employees of the Corporation are required to comply with the Corporate Disclosure Policy.

#### **7. Competition and Fair Dealing**

Each director, officer and employee should deal fairly with the Corporation's shareholders, customers, suppliers, competitors and employees. No director, officer or employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair conduct. Stealing proprietary

information, misusing trade secret information that was obtained without the owner's consent, or inducing disclosure of such information by past or present employees of other companies is prohibited.

## **8. Compliance with Applicable Laws, Rules and Regulations**

All directors, officers and employees must comply with all of the local laws, rules and regulations of the countries in which they conduct the Corporation's business.

This Code does not attempt to summarize all laws, rules and regulations applicable to the Corporation or its business. Please consult with the Corporate Secretary if you have questions on specific laws, rules and regulations that you think may be applicable to the Corporation or its business.

## **9. No Retaliation**

The Corporation will not retaliate against a director, officer, or employee who, in good faith, reports a known or suspected violation of this Code. This means that employees will not be terminated, demoted or discriminated against in any way for reporting legitimate concerns about these matters in accordance with this Code, including giving information in relation to an investigation. However, because of the seriousness of a false allegation and the resources which will be expended to investigate complaints, the Corporation reserves the right to discipline anyone who knowingly makes a false accusation or knowingly provides false information to the Corporation or others.

## **10. Gifts**

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain, or provide for, any unfair advantage as between the Corporation and those with whom the Corporation does business. Directors, officers and employees should take particular care to avoid accepting or providing any favour or anything of value which could reasonably be interpreted as influencing their judgment in performing their duties for the Corporation or as an attempt to create any unfair advantage for the Corporation among those with whom the Corporation does business.

If you are not certain if proposed gifts are acceptable, please discuss your concerns with the Corporate Secretary.

## **11. Respect in the Workplace**

The Corporation prohibits all types of unlawful discrimination, including harassment, whether directed against an individual or group, including employees, customers, suppliers and shareholders. This specifically includes discrimination based on race, national or ethnic origin, color, religion, age, sex (including pregnancy or childbirth), sexual orientation, marital status, family status, physical or mental disability, or conviction for which a pardon has been granted.

## **12. Insider Trading**

Using or sharing confidential information for trading purposes or for any other purpose except the conduct of the Corporation's business is not permitted. All non-public information about the Corporation should be considered confidential information. Purchasing or selling securities of the Corporation with knowledge of material information about the Corporation that has not been generally disclosed, or to inform or "tip" others of such material information that has not been generally disclosed other than in the necessary course of business of the Corporation, is not only unethical but also illegal and could result in criminal prosecution in addition to the termination of employment. In order to assist compliance with laws against insider trading, the Corporation has adopted an Insider Trading Policy. A copy of this policy is available [www.vecima.com](http://www.vecima.com).

## **13. Public Corporation Reporting**

As a public corporation, it is of critical importance that the Corporation's filings with all stock exchanges on which the Corporation's securities are listed and the Canadian provincial securities regulatory authorities be full, fair, accurate and timely. Depending on their respective positions with the Corporation, directors, officers or employees may be called upon to provide information necessary to ensure that the Corporation's public disclosure documents meet these requirements. The Corporation expects directors, officers and employees to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Corporation's public disclosure requirements. The Corporation has formed a Disclosure Committee to oversee the preparation and review of public disclosure documents and has adopted a Corporate Disclosure Policy to assist with disclosure compliance. A copy of this policy is available at [www.vecima.com](http://www.vecima.com).

## **14. Corporate Books, Records, Documents and Accounts**

Each director, officer and employee must ensure that all Corporation documents for which they are responsible are completed accurately, truthfully, in a timely manner, and are properly authorized. Financial activities are to be recorded in compliance with all applicable laws and accounting practices. The Corporation's accounting records are also relied upon to produce reports for management, shareholders and creditors, and in particular, the Corporation relies upon the accounting and other business and corporate records in preparing the periodic and current reports that are filed with the Canadian provincial securities regulatory authorities.

Any person who becomes aware of any departure from these standards or any other questionable accounting, internal accounting controls or auditing matters has a responsibility to report his or her knowledge promptly in accordance with the Corporation's Whistleblower Policy.

## **15. Waiver**

Any waiver of any provisions of this Code requires the approval of the CEO and a report on the waiver will be provided to

the Audit Committee. Any waiver of the provisions of this Code with respect to directors and executive officers may be authorized only by the Board of Directors of the Corporation and such waiver and the reasons for the authorization thereof will be disclosed to shareholders as required by the Canadian provincial securities regulatory authorities.

## **16. Compliance with the Code**

In addition to answering questions or concerns regarding this Code, the Corporate Secretary is responsible for:

- investigating possible violations of the Code in conjunction with the Audit Committee; and
- making a copy of the Code, including any policies referenced herein, available to new directors, officers and employees and providing an annual reminder that they are responsible for reading, understanding and complying with the Code and related policies.

The Board of Directors of the Corporation is responsible for monitoring the Code and updating the Code as needed to reflect changes in the law, company operations and recognized best practices.

If you encounter a situation or are considering a course of action and its appropriateness is unclear, discuss the matter promptly with the Corporate Secretary, as even the appearance of impropriety can be damaging and should be avoided.

If you are aware of or suspect any violations of the standards in this Code, you have a responsibility to report same pursuant to the Corporation's Whistleblower Policy. You should do so without fear of any form of retaliation. The Corporation shall endeavour to promptly take appropriate corrective action against any person that retaliates against you.

If any investigation of such report indicates that a violation of this Code has occurred, the Corporation will take such disciplinary action with respect to the persons involved as determined to be appropriate under the circumstances, including possible termination of employment and, in appropriate cases, civil action or referral for criminal prosecution.