



Insider Trading Policy

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PURPOSE

The purpose of this Insider Trading Policy is to help directors, officers, employees, consultants, and significant shareholders of Vecima Networks Inc. (“**Vecima**”), or any of its Subsidiaries, to comply with securities regulators by prohibiting the trading of securities during a Blackout Period (as defined below) where there is a heightened risk or perception that they are in a position to trade while in the possession of material non-public information.

During a blackout period, no trading of securities (including debt securities, shares, options, restricted share units, deferred share units, or other derivative securities) by the affected individuals is permitted, including the exercise of previously granted options.

1. Definitions

- 1.1 **Automated Plan:** means a plan under which insiders purchase or sell securities pursuant to an automatic dividend reinvestment plan, share purchase plan, or other similar automatic plan that was entered into by the insider or issuer prior to the acquisition of Material Information that has not yet been made public (“**MNPI**”) in accordance with applicable Canadian and U.S. securities laws.
- 1.2 **Blackout Period:** means no less than five business days before the general disclosure of financial results to the public and end less than two business days following the general disclosure of financial results to the public, or any other period during which Vecima Networks Insiders are prohibited from trading securities other than in accordance with an Automated Plan that complies with applicable securities laws. Vecima itself will not issue any options or other securities during a blackout period.
- 1.3 **Board of Directors:** means the Board of Directors of Vecima
- 1.4 **CEO:** means the Chief Executive Officer of Vecima.
- 1.5 **CFO:** means the Chief Financial Officer of Vecima.
- 1.6 **Company:** means Vecima or any of its Subsidiaries.
- 1.7 **COO:** means the Chief Operating Officer of Vecima.
- 1.8 **Generally Disclosed:** means information that has been released via a news release distributed through widely circulated news or wire service so as to reach the public and the public has had sufficient opportunity to become aware of the information.
- 1.9 **Insider Trading:** is described in Section 2 of this Policy.
- 1.10 **Material Change:** means a change in the business, operations, or capital of Vecima that would reasonably be expected to have a significant effect on the market price or value of the securities of Vecima; or a decision to implement a change referred to above made by the directors of Vecima or by senior management of Vecima who believe that confirmation of the decision by the Board of

Directors is probable.

- 1.11 Material Fact:** in relation to securities issued or proposed to be issued, means a fact that would reasonably be expected to have a significant effect on the market price or value of such securities.
- 1.12 Material Information:** means any information relating to the business and affairs of Vecima 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 Vecima. Material Information includes both Material Changes and Material Facts. (See Schedule B for examples of potential Material Information)
- 1.13 Necessary Course of Business:** refers to an exception to Tipping, as described in Sections 3 and 4.2 of this Policy.
- 1.14 Officers:** means the **CEO, CFO, COO, and EVP of Vecima**, and Officer means any one of them.
- 1.15 Policy:** means this Insider Trading Policy, as amended from time to time.
- 1.16 Reporting Insider:** is described in Section 5.4.
- 1.17 Special Relationship:** for the purpose of this Policy, a person is in a Special Relationship with Vecima if it:
- 1.17.1 is a Vecima Networks Insider;
 - 1.17.2 is an entity that is engaging in or is proposing to engage in any business or professional activity with or on behalf of any one of Vecima, including without limitation, a consultant, independent contractor or advisor, or any family member, spouse, or other person living in the household or a dependent child of any of the individuals referred to above;
 - 1.17.3 are Partnerships, trusts, corporations, RRSPs, and similar entities over which any of the above-mentioned individuals exercise control or direction;
 - 1.17.4 are directors and officers of corporations, and any individuals, which have a significant investment (more than 10%) in Vecima's securities; and
 - 1.17.5 any person who learns of a material fact or material change from any person referred to above.
- 1.18 Subsidiary:** means an affiliated body corporate as defined by the Canada Business Corporations Act, as amended from time to time.
- 1.19 Tipping:** refers to a prohibited activity, as described in Section 3 of this Policy.
- 1.20 Vecima Networks Insider:** refers to each member of the Board of Directors, any Officer, employee of, and a consultant, independent contractor, or advisor to, Vecima Networks or any of its Subsidiaries, and for greater certainty, includes any Reporting Insider.

2. Insider Trading

Securities legislation prohibits anyone in a Special Relationship with Vecima from trading in Vecima's 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. Tipping

Securities legislation prohibits Vecima or any person in a Special Relationship with Vecima 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 applicable securities laws if the person who receives the information trades in securities. (See Vecima Networks Inc. Corporate Disclosure Policy)

4. Employee Obligations

4.1 All Vecima Networks Insiders must:

4.1.1 Not trade in securities of Vecima while in possession of Material Information with respect to Vecima which has not yet been Generally Disclosed; and

4.1.2 Not inform other people of Material Information regarding Vecima before that Material Information has been Generally Disclosed, unless the Vecima employee discloses that Material Information in the Necessary Course of Business.

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

4.2.1 Vendors, suppliers, or strategic partners on issues such as sales and marketing and supply contracts;

4.2.2 Employees, officers, and board members;

4.2.3 Lenders, legal counsel and underwriters, auditors, and other professional advisors to a company;

4.2.4 Parties to negotiations;

4.2.5 Credit rating agencies;

4.2.6 Industry associations; or

4.2.7 Government agencies.

5. Reporting Insiders

5.1 Additional obligations are imposed on Vecima Networks Insiders if they are Reporting Insiders or if they are subject to either regularly scheduled blackout periods or discretionary blackout periods (“**Blacked-out Persons**”).

5.2 Under applicable securities laws, Reporting Insiders of Vecima are required to file an Insider Report with securities regulators through the System for Electronic Disclosure by Insiders (“**SEDI**”) any time they trade in shares, debt securities, options (including the grant and exercise

of options), or any other type of derivative securities of Vecima. Reporting Insiders must file an Insider Report electronically on SEDI within 5 days after each trade.

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

5.4 The following are Reporting Insiders of Vecima:

5.4.1 Board of Directors of Vecima;

5.4.2 Officers of Vecima;

5.4.3 Senior Vice-Presidents of Vecima;

5.4.4 Any “**significant shareholder**” of Vecima (a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, securities of Vecima carrying more than 10 per cent of the voting rights of Vecima’s voting securities), and any director or officer of a significant shareholder; and

5.4.5 Any other Vecima employee who is deemed to be an Insider by the Board of Directors (any such employee shall receive notification from the Corporate Secretary).

5.5 Securities legislation provides some exemptions from filing insider reports. Vecima may request and receive certain exceptions to filing and insider trading legislation from the applicable securities regulatory authorities from time to time and it is imperative that Reporting Insiders be aware of such exemptions. Please contact the Corporate Secretary for further information on exemptions.

6. **Blacked-out Persons**

6.1 Vecima Networks Insiders are Blacked-out Persons in the following circumstances:

6.1.1 If they are subject to regularly scheduled blackout periods. Regularly scheduled blackout periods begin no less than five business days before the general disclosure of financial results to the public and end no less than two business days following the general disclosure of financial results to the public.

6.1.2. All Reporting Insiders are automatically considered Blacked-out Persons and subject to regularly scheduled blackout periods. Other Vecima Networks Insiders who are designated Blacked-out Persons and subject to regularly scheduled blackout periods will receive notice of that fact from the Corporate Secretary.

6.1.2 If they 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, and following consultation with the Corporate Secretary, Vecima may decide to initiate a discretionary blackout period at any time for a length of time deemed appropriate.

6.2 During the regularly scheduled blackout periods, the affected Blacked-out Persons cannot:

6.2.1 Trade in any shares or debt securities of Vecima;

- 6.2.2 Exercise stock options;
- 6.2.3 Trade in deferred share units or restricted stock units;
- 6.2.4 Change the percentage contribution to their Vecima Networks employee share purchase plan; or
- 6.2.5 Join or withdraw from the Vecima employee share purchase plan.

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

7. Other Companies

In the course of Vecima's business, persons in a Special Relationship with Vecima may obtain information about another publicly traded company that has not been Generally Disclosed. Securities laws generally prohibit such individuals from trading in securities of that other company while in possession of such information or communicating such information to another person. The restrictions set out in this Policy with respect to Insider Trading and Tipping apply to all persons in a Special Relationship with Vecima with respect to trading in the securities of another company while in possession of such information, and communicating such information.

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 penalties, fines, criminal sanctions, or imprisonment.

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

- 9.1 All Vecima Networks Insiders 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 10)

10. Personal Responsibility

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

11. Hedging by Directors and Officers

Vecima encourages share ownership in Vecima by its directors and officers by offering an equity-based incentive compensation program. Such programs are designed to align the interests of directors and officers with the short-term and long-term interests of shareholders in Vecima's financial and operating performance. In order to further this objective, directors and officers are prohibited from entering into financial instruments that are designed to hedge or offset any decrease in the market value of Vecima equity securities that are held directly or indirectly by them or granted as compensation to them. Such prohibited financial instruments with respect to Vecima equity securities include prepaid variable

forward contracts, equity swaps, collars, put or call options, and similar financial instruments.

12. Contact Persons

If you have any questions about any aspect of this Policy or your duties under it, please contact the Corporate Secretary at peter.torn@vecima.com. This Policy is administered by the Corporate Secretary.

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 or a Material Fact about Vecima which has not been Generally Disclosed and disseminated to the public.
- Know Material Information or a Material Fact 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.
- 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

Excerpt 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 a reporting issuer:

- 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; or
- Significant new credit arrangements.