

Insider Trading Policy

Overview

The following guidelines apply to “insiders” and others in a “special relationship” with Richards Packaging Income Fund (the ‘Fund’) (an “insider” or anyone in a “special relationship” with the Fund is hereinafter referred to as an “Insider”). It should be noted that Insider includes trustees, directors, officers, and senior employees of the Fund, anyone who engages in any business or professional activity with the Fund (i.e. auditors, legal counsel), certain relatives and partners of Insiders, a trust in which an Insider has a substantial beneficial interest and trusts as to which an Insider serves as Trustee. A person who receives confidential information from an Insider and who has knowledge that such person is an Insider shall also be deemed to be an Insider.

A purchase or sale of the securities of the Fund by persons who are “insiders” of the Fund or who are in a “special relationship” with the Fund or any of its subsidiaries may result in such person incurring substantial liability if use is made of confidential information which has not been generally disclosed to the public, and such liability may, in addition, extend to the Fund itself. The Fund is determined to avoid any breach of securities laws or of corporate laws, to avoid any liability which may be incurred under such laws and to avoid any action which might appear to be taken on the basis of an improper use of confidential information.

Liability arises for trading securities on the basis of information which has not been disclosed to the public or for disclosing information to persons who use it for the purpose of trading or pass it on to others (“tipping”), if the information is “material” within the meaning of the securities laws. Do not rely solely on your own judgment but seek advice when needed from the chief financial officer (“CFO”) as to whether particular information is material. Information which may be material includes financial and operating results; negotiations concerning contracts with outside parties; possible dispositions or acquisitions; decisions concerning distributions; important business developments; financing; important personnel changes; litigation and labour negotiations.

The CFO should be contacted immediately if a trustee, director, senior employee etc. believes he/she has violated this policy.

Insider Trading

Definition of Insider

While the definition of an Insider differs in the various jurisdictions, the definition of an Insider includes:

- The Trustees and Officers of the Fund
- The Directors and Officers of the Fund’s subsidiaries, affiliates and associates.
- All senior employees of the Fund and its subsidiaries.
- Spouses and children of Insiders.
- Any other relatives living at the same residence as the Insider.
- Anyone who engages in any business or professional activity with the Fund.
- “Tippees”, i.e., people who receive confidential information from Insiders or other “tippees”.

Guidelines

- An Insider should not deal in securities of the Fund at any time if he or she is in possession of information which would reasonably be expected to have a significant or material effect on the market price or value of such securities and the public does not have the same information; and
- Information which would reasonably be expected to have a significant or material effect on the market price or value which such Insider has by reason of his or her position with the Fund and which has not been generally disclosed should not be communicated to any other person or used for any other purpose than to carry out such person’s duties to the Fund.

Specific Rules

In addition to the two general guidelines set out above, the following specific rules should be observed:

- No trading in securities of the Fund by Insiders directly involved in the preparation of the Fund’s fiscal year end financial statements or fiscal quarter financial statements can take place from the beginning of the preparation of the statements until after two business days have elapsed from the date on which the Fund’s news release announcing the results for the fiscal period was disseminated.
- No trading in securities of the Fund by Insiders is permitted within a period commencing from the time a trustee, employee, director or officer receives draft annual or quarterly financial statements and ending after two business days following the date of issuance of a news release by the Fund announcing its annual or quarterly financial results.

- If the Fund announces a “black-out period” or if an Insider knows that the Fund is about to make a news release of material information, at any time, the Insider should not trade from the time of such knowledge of the release (or announcement of the “black-out period”) until after two business days have elapsed from the date of dissemination of the material change.
- No Insider may at any time sell short the securities of the Fund.
- No Insider may at any time buy or sell a call or put option in respect of a security of the Fund.
- In order to avoid possible inadvertent conflict with these guidelines, standing sell orders or standing purchase orders should not be left with a broker.
- The granting of units under the long-term incentive plan is prohibited during a blackout period.

In addition, all Insiders and persons associated and affiliated with them, are restricted from making use, for their own advantage, of any specific confidential information which, if generally known, might reasonably be expected to materially affect the value of the securities of the Fund. Persons doing so may be subject to criminal prosecution and may also be liable to compensate any other person for any direct loss suffered as a result of the transaction, and will also be accountable to the Fund for any direct benefit or advantage received as a result of the transaction.

It is customary for the Fund to provide certain employees with monthly financial results. Each such Insider will have to determine the materiality of such results in light of the first general guideline.

There is a prohibition for anyone in a special relationship with the Fund from buying or selling securities of the Fund with the knowledge of a material fact or material change in the affairs of the Fund which he or she knew or ought reasonably to have known had not been generally disclosed. Persons in a special relationship with the Fund are also prohibited from informing (other than in the ordinary course of business) another person about a material fact or material change before such fact or change has been generally disclosed. The scope of the persons having a “special relationship” with the Fund is very broad, and includes insiders.

For greater certainty, this policy applies not only to direct purchases and sales of units but also to equity monetizations.

Insider Reporting

Insiders For Reporting Purpose

The Fund, considers an Insider for reporting purposes, to be any Trustee, Director, or senior officer and any other Director or senior officer of any of its subsidiaries.

The statutory requirements provide that a person must file a report, other than a nil report on becoming an Insider for reporting purposes, and must report when a change occurs in his or her direct or indirect beneficial ownership of securities of the Fund, including any transfer of any securities into the name of an agent, nominee, custodian or RRSP.

Procedures for Reporting

Where a named Insider for reporting purposes acquires or makes a change in his or her ownership of securities of the Fund, it is important that Insider Trading Reports are filed immediately (within 5 calendar days of the ownership change) in order to comply with securities legislation in each of the relevant provinces. A System for Electronic Disclosure by Insiders (“SEDI”) creates a streamlined process for filing insider reports electronically through a publicly accessible Internet website (www.sedi.ca).

The filing of Insider Reports will be co-ordinated by the CFO. Accordingly, the CFO must be advised promptly of any changes (direct or indirect) in an Insider’s ownership of the Fund securities so that the necessary reports may be completed and filed on behalf of the Insider.

Each Insider is responsible for the accuracy and timeliness of his or her Insider Trading Reports.