



**CINEPLEX GALAXY INCOME FUND,  
CINEPLEX ENTERTAINMENT CORPORATION,  
CINEPLEX ENTERTAINMENT LIMITED PARTNERSHIP  
AND THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES**

***CODE OF BUSINESS CONDUCT AND ETHICS***

**INTRODUCTION**

This Code of Business Conduct and Ethics covers a wide range of business practices and procedures. It does not cover every issue that may arise, but sets out basic principles to guide all trustees, directors, officers and employees of Cineplex Galaxy Income Fund (the “**Fund**”), Cineplex Entertainment Corporation (the “**Corporation**”) and Cineplex Entertainment Limited Partnership (the “**LP**”) and their respective subsidiaries and its affiliates (collectively, “**Cineplex Personnel**”). All Cineplex Personnel must conduct themselves accordingly and seek to avoid even the appearance of improper behavior. This Code also should be provided to and followed by the Fund, the Corporation, the LP and their respective subsidiaries’ and affiliates’ agents and representatives, including advisors.

If a law conflicts with a policy in this Code, Cineplex Personnel must comply with the law. If a local custom or policy conflicts with this Code, Cineplex Personnel must comply with this Code. If you have any questions about these conflicts, you should ask a senior officer of the Corporation how to handle the situation.

Cineplex Personnel who violate the standards in this Code will be subject to disciplinary action, up to and including termination of their employment or other relationship with the Fund, the Corporation, the LP or their subsidiaries and affiliates (collectively, “**Cineplex**”).

**If you are in a situation that you believe may violate or lead to a violation of this Code, follow the guidelines described below under “Compliance Procedures”. If you wish to report a violation, follow the guidelines described below under “Reporting Procedures.”**

**THE CODE**

**Compliance with Laws, Rules and Regulations**

Obedying the law, both in letter and in spirit, is the foundation on which Cineplex’ ethical standards are built; that foundation is critical to our reputation and continued success. All Cineplex Personnel must respect and obey the laws of the various jurisdictions in which Cineplex operates and avoid even the appearance of impropriety. Although not all Cineplex Personnel are expected to know the details of these laws, it is important to know enough to determine when to seek advice from executive members or other appropriate personnel. The Chief Executive Officer, Chief Financial Officer, the General Counsel and the Chief Privacy Officer are always available to assist Cineplex Personnel in determining applicable legal requirements and to seek the advice of outside legal counsel where appropriate.

**Conflicts of Interest**

A “conflict of interest” exists when a person’s private interests interfere in any way with the interests of Cineplex. A conflict of interest can arise when Cineplex Personnel take actions or have interests that may make it difficult for them to perform their work for Cineplex objectively and effectively. Conflicts of interest also may arise when Cineplex Personnel or members of their families receive improper personal benefits as a result of their positions with Cineplex.

Conflicts of interest are prohibited as a matter of policy, except as may be approved by the Board of Trustees of the Fund or the Board of Directors of the Corporation. Conflicts of interest may not always be clear-cut. If you have a question, you should consult with your supervisor or department head. Any Cineplex Personnel who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor or department head and consult the procedures described below under "Compliance Procedures".

### **Confidentiality**

Cineplex Personnel must maintain the confidentiality of confidential information entrusted to them by Cineplex and persons with whom Cineplex does business, except when disclosure is authorized under the Confidential Information Policy or required by laws or regulations. Confidential information includes all non-public information that might be of use to competitors or harmful to Cineplex or the person to whom it relates if disclosed. The obligation to preserve confidential information continues even after Cineplex Personnel cease to have a relationship with Cineplex.

Cineplex Personnel who have access to confidential information are not permitted to use or share that information for Fund Unit trading purposes or for any other purpose except the conduct of Cineplex' business. All Cineplex Personnel are expected to read and abide by the Fund's and the Corporation's (on its own behalf and on behalf of the LP) Confidential Information Policy, Disclosure Policy, and the Insider Trading Policy, each of which can be found on the portal, posted on [www.cineplex.com](http://www.cineplex.com) or from the Human Resources department.

### **Privacy**

Cineplex is committed to protecting the rights to privacy of our employees and our guests. Personal information is to be treated with the utmost of respect and Cineplex shall operate in strict accordance with all privacy legislation. "Personal information" is information about an identifiable individual which may include, without limitation, name, home address, personal e-mail address, age, birthdates, medical details and certain demographic information. Any Cineplex Personnel who becomes aware of a violation of privacy legislation should bring it to the attention of a supervisor or department head and/or shall consult the Chief Privacy Officer. Cineplex Personnel should also refer to the Privacy Policy which is incorporated herein by reference. By agreeing to this Code of Conduct and by virtue of your continued employment, you are also agreeing the terms of the Privacy Policy. The Privacy Policy may be found either on the portal or obtained from the Human Resources department.

### **Corporate Opportunities**

Cineplex Personnel are prohibited from taking for themselves personally opportunities that are discovered through the use of Cineplex property, information or positions without the consent of the Board of Trustees of the Fund or Board of Directors of the Corporation and from using Cineplex property, information, or position for improper personal gain. No Cineplex Personnel may compete with Cineplex directly or indirectly, and Cineplex Personnel are not to solicit for employment or to hire other Cineplex Personnel for the pursuit of business interests that are not business interests of Cineplex. Cineplex Personnel owe a duty to Cineplex to advance its legitimate interests when the opportunity to do so arises.

### **Protection and Proper Use of Cineplex Entity Assets**

All Cineplex Personnel should endeavor to protect Cineplex assets and ensure the efficient use of such assets. Theft, carelessness, and waste have a direct impact on the profitability of Cineplex. Any suspected incident of fraud or theft should be reported immediately to your department head for investigation.

The obligation of Cineplex Personnel to protect Cineplex assets includes Cineplex' proprietary information. Proprietary information includes any information that is not known generally to the public or would be helpful to Cineplex competitors. Examples of proprietary information include intellectual property (such as trade secrets, software and its coding, patents, trademarks and copyrights), business, marketing and service plans, designs, databases, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate this Code and could be illegal and result in civil or criminal penalties. The obligation to preserve the confidentiality of proprietary information continues even after Cineplex Personnel no longer have a relationship with Cineplex.

Cineplex assets may never be used for illegal purposes.

## **Competition and Fair Dealing**

Cineplex seeks to excel and to outperform any competitors fairly and honestly through superior performance and not through unethical or illegal business practices. Taking proprietary information without the owner's consent, inducing disclosure of that information by past or present employees of other persons or using that information is prohibited. Cineplex Personnel should respect the rights of, and deal fairly with, Cineplex' competitors and persons with whom Cineplex has a business relationship. No Cineplex Personnel should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of proprietary information, misrepresentation of material facts, or any other intentional unfair-dealing practice. Nor should any Cineplex Personnel act in a manner that may be anti-competitive under anti-trust laws. The Corporation's Chief Executive Officer, Chief Financial Officer and General Counsel are always available to assist Cineplex Personnel in determining the application of those laws and to seek the advice of outside legal counsel where appropriate.

## **Gifts and Entertainment**

Business gifts and entertainment are customary courtesies designed to build goodwill and constructive relationships among business partners. These courtesies may include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, accommodation and other merchandise or services. In some cultures, they play an important role in business relationships. However, a problem may arise when these courtesies compromise, or appear to compromise, Cineplex' ability to make fair and objective business decisions or to gain an unfair advantage.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. Where a person is unsure of the perception of a gift, gratuity or entertainment opportunity, such Cineplex Personnel must obtain approval from their immediate supervisor to receive such gift or gratuity or to participate in the entertainment opportunity. These guidelines apply at all times and do not change during traditional gift-giving seasons.

No gift or entertainment should ever be offered, given, provided, authorized or accepted by any Cineplex Personnel or their family members unless it is not a cash gift, is consistent with customary business practices, is not excessive in value, cannot be construed as a bribe or payoff, and does not violate any laws. Strict rules apply when Cineplex does business with governmental agencies and officials, as discussed in more detail below. Cineplex Personnel should discuss with their department head any gifts or proposed gifts about which they have any questions.

## **Payments to Government Personnel**

All Cineplex Personnel must comply with all laws prohibiting improper payments to domestic and foreign officials. Other governments have laws regarding business gifts that may be accepted by government personnel. The promise, offer or delivery to an official or employee of various governments of a gift, favour or other gratuity in violation of these laws would not only violate Cineplex policies but could also be a criminal offense. Illegal payments (in cash or in-kind) should not be made to government officials of any country. The Corporation's Chief Executive Officer, Chief Financial Officer or General Counsel can provide guidance to Cineplex Personnel in this area. Where a person is unsure of the propriety of a business gift (including the granting of a Cineplex movie pass), such Cineplex Personnel must obtain approval from their immediate supervisor to delivery such business gift.

## **Discrimination and Harassment**

The diversity of Cineplex Personnel is a tremendous asset. Cineplex is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any discrimination or harassment of any kind. Examples include derogatory comments based on racial, ethnic, religious, or sexual orientation characteristics and unwelcome sexual advances. Violence and threatening behavior are not permitted. Cineplex Personnel are encouraged to speak with the senior Human Resources officer when a co-worker's conduct makes them uncomfortable and to report harassment when it occurs. Cineplex Personnel should also refer to the Harassment Policy for more information, including details about the investigation process. The Harassment Policy may be found either on the portal or obtained from a human resources officer.

## **Health and Safety**

Cineplex strives to provide all Cineplex Personnel with a safe and healthy work environment. All Cineplex Personnel have responsibility for maintaining a safe and healthy workplace by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions to a supervisor or department head. Being under the influence of and the possession of illegal drugs in the workplace will not be tolerated. Cineplex Personnel should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. Cineplex Personnel should also refer to the Health and Safety Policy for more information, which is either available on the portal or may be obtained from a human resources officer.

## **Accuracy of Records and Reporting**

Cineplex requires honest and accurate recording and reporting of information to make responsible business decisions. Cineplex' accounting records are relied upon to produce reports for our management, trustees, directors, unitholders, governmental agencies and persons with whom Cineplex does business. All of Cineplex' financial statements and the books, records and accounts on which they are based must appropriately reflect such Cineplex' activities and conform to applicable legal and accounting requirements and to the Cineplex system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless required by applicable law or regulation.

All Cineplex Personnel have a responsibility, within the scope of their positions, to ensure that Cineplex accounting records do not contain any false or intentionally misleading entries. Cineplex does not permit intentional misclassification of transaction as to accounts, departments or accounting records. All transactions must be supported by accurate documentation in reasonable detail and recorded in the proper accounts and in the proper accounting period.

Many Cineplex Personnel use business expense accounts, which must be documented and recorded accurately. If Cineplex Personnel are not sure whether a certain expense is legitimate, a supervisor or department head can provide advice. General rules and guidelines are available in the Expense Report Policy located on the Portal or from a Human Resources officer or a Finance Officer.

Business records and communications often become public through legal or regulatory proceedings or the media. Cineplex Personnel should avoid exaggeration, derogatory remarks, guesswork or inappropriate characterizations that can be misunderstood. This requirement applies equally to communications of all kinds, including e-mail, informal notes, internal memos and formal reports.

## **Use of E-mail and Internet Services**

E-mail and internet services are provided by Cineplex to assist Cineplex Personnel in carrying out their work. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. Cineplex Personnel may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit messages, cartoons, jokes, unwelcome propositions, derogatory messages based on racial or ethnic characteristics or any other message that could reasonably be viewed as harassment. Flooding Cineplex' system with junk mail, trivia, jokes or mass email hampers the ability of the Cineplex system to handle legitimate company business and is prohibited.

Any views expressed by Cineplex Personnel who use websites, blogs, wikis, etc. ("**Online Postings**") as a medium of self-expression are strictly those of the individual and do not reflect views of Cineplex. Cineplex Personnel may not disclose confidential and proprietary information and should always exercise good judgment by communicating respectfully about Cineplex, its employees, customers, partners and affiliates. Cineplex Personnel may not use Cineplex trademarks or copyrighted material in any Online Postings. Any and all information contained in Online Postings is considered public domain information which may be legally accessed and reviewed by Cineplex. When malicious, slanderous, discriminatory, harassing or defamatory remarks are posted by Cineplex Personnel, that Online Posting may be used to support disciplinary action.

Messages (including voice-mail) and computer information sent, received or created by Cineplex Personnel are considered property of Cineplex and Cineplex Personnel should recognize that these messages and information are not “private”. Unless prohibited by law, Cineplex reserves the right to access and disclose those messages and information as necessary for its business purposes. Cineplex Personnel should use good judgment and not access or send messages or store any information that they would not want to be seen or heard by others.

### **Ownership and Use of Intellectual Property**

All “Intellectual Property” (including software and its coding, copyright, trademarks, marketing materials, design rights, logos, know-how, corporate research, customer surveys, trade secrets, patents and other intangible industrial or commercial property) that you create, in whole or in part, for Cineplex while in its employ shall be owned by Cineplex. Creators will provide, upon request by Cineplex, assignments or other documents necessary to confirm Cineplex’ ownership rights. This “work product” includes inventions, discoveries, ideas, improvements, software programs, publications, documentation, training materials, artwork and works of authorship. This work product is Cineplex’s property (and does not belong to you) if it is created or developed, in whole or in part, on company time, as part of your duties or through the use of Cineplex resources or information.

In addition to protecting its own Intellectual Property, Cineplex also respects Intellectual Property belonging to third parties. No Cineplex Personnel shall knowingly infringe upon the Intellectual Property rights of others. Therefore, no Intellectual Property that belongs to any third party, or in which you participated in the development of while working with a prior employer, should be used in any way by Cineplex, or by you in your work with Cineplex, without specific permissions obtained by the Cineplex legal department from such third party.

### **WAIVERS OF THE CODE**

Any waiver of this Code for executive officers or directors may be made only by the Board of Directors of the Corporation (or a committee of the Board to whom that authority has been delegated) and will be promptly disclosed as required by law or stock exchange regulation.

### **COMPLIANCE PROCEDURES**

All Cineplex Personnel must work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since it is not possible to anticipate every situation that will arise, it is important that Cineplex has a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, the senior Cineplex Personnel must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will help you to focus on the specific question you are faced with and the alternatives you have. Use your judgment and common sense - if something seems like it might possibly be unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your manager. This is the basic guidance for all situations. In many cases, your manager will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your manager’s responsibility to help solve problems.
- Seek help from company resources. In the rare case where it may not be appropriate to discuss an issue with your manager, or where you do not feel comfortable approaching your manager with your question, discuss it locally with your manager once removed. If that is not appropriate for any reason, contact a Human Resources officer of the Corporation. Refer to the Confidential Reporting Procedure set forth below for further reporting options.

- You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected, where legally permissible. Cineplex does not permit retaliation of any kind against employees for good faith reports of ethical violations. Refer to the Reporting Procedure /Whistle-Blowing Process set forth below for the anonymous reporting procedure.
- Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

The Corporation requires each employee sign a certificate annually confirming his or her compliance with this Code (either in paper form or electronically).

## **REPORTING PROCEDURES / WHISTLE-BLOWING PROCESS**

### **Reporting Any Illegal or Unethical Behavior**

Cineplex has a strong commitment to the conduct of its business in a lawful and ethical manner. When in doubt about the best course of action in a particular situation, Cineplex Personnel are encouraged to talk to executive officers or other appropriate personnel about observed illegal or unethical behavior or behavior which they believe may be in violation of this Code.

It is the policy of Cineplex not to allow reprisal or retaliation for reports of misconduct by others made in good faith. It is, at the same time, unacceptable to file a report knowing that it is false. All Cineplex Personnel are expected to cooperate in internal investigations of misconduct.

It is the policy of Cineplex to encourage employees to report, either orally or in writing, to their immediate supervisor, or alternate line of authority as hereinafter described, all evidence of activity by any Cineplex department, employee or external authority that may influence Cineplex decisions (such as a major shareholder or our external auditors), where such activity may constitute or appear to constitute:

- corporate fraud;
- unethical business conduct;
- questionable accounting or auditing practices;
- a violation of provincial or federal laws; or
- a violation of this Code of Conduct.

### **Standard Reporting Procedure**

Any Cineplex guest who has a concern about their experience at a theatre, including any concerns about fraudulent or illegal behaviour by a Cineplex Personnel, may contact guest services and can expect a prompt response. Guest Services may be contacted either by email at [guestservices@cinplex.com](mailto:guestservices@cinplex.com) or by telephone at 1-800-333-0061 (Option 8).

Any Cineplex Personnel who wants to report evidence of alleged activity that violates this Code or which they otherwise deem to be improper should contact his/her immediate supervisor, or such supervisor's manager. In instances where the employee or other personnel is not satisfied with the supervisor's or manager's response, or is uncomfortable for any reason addressing such concerns to their supervisor or manager of such supervisor, the employee may contact a Human Resources officer. Alternatively, the employee may contact the Chair of the Audit Committee of the Board of Directors, currently, Robert Steacy.

Mr. Steacy may be contacted: either by email at [robert.steacy@cinplex.com](mailto:robert.steacy@cinplex.com) or by telephone at 877-349-7002. Please note that messages left at this number are **not** checked daily.

The chairman will maintain a log of all reports that are received, tracking their receipt, investigation and resolution.

### **Anonymous Reporting Option**

If employees are in any way uncomfortable reporting concerns in a manner that identifies them as the source of the report, there is an alternative method of reporting that protects employee anonymity.

Anonymous messages may be left on the Human Resources Hotline at 1-800-856-2381, "Option 4". This line is checked daily for messages. If using the Hotline, employees are encouraged to provide as much specific information as possible including names, dates, places and events that took place.

Employees are free to make anonymous reports, with the understanding that any investigation may be hampered due to the inability to identify the employee in order to obtain a full and complete account of relevant and necessary facts from the employee or to ask additional questions or seek clarification as any investigation proceeds.

In initializing any of these methods, an employee may request that a report be handled as confidentially as possible under the circumstances, and Cineplex will handle all such reports with discretion and with due regard for the privacy of the reporting employee. There are, however, certain circumstances where disclosure may be required and confidentiality cannot be guaranteed. Employees will always be informed when such circumstance pertain to any information they are providing.

### **Retaliation**

If an allegation is made in good faith, whether or not it is confirmed by the investigation, no action will be taken against the originator.

Retaliation against any person who voices a concern, files a report or participates in any subsequent related investigation is prohibited unless it is proven that such person acted in a fraudulent, malicious or vexatious manner. Employees found to have engaged in retaliatory behaviour will be subject to discipline up to and including termination.

Any employee who believes that he or she is being retaliated against for making a report should immediately bring it to the attention of his/her supervisor, or such supervisor's manager for immediate investigation. In instances where the employee is not satisfied with the supervisor or manager's response, or is uncomfortable for any reason addressing such concerns to their supervisor or manager of such supervisor, the employee may contact the Senior Human Resources Officer or the Chair of the Audit Committee of the Board of Directors, currently, Robert Steacy.

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## **INVESTIGATION PROCEDURE**

### **Investigations**

For all issues raised, the action taken by Cineplex will depend on the nature of the concern. The matters raised may be either (a) investigated internally by senior management, the Board of Directors (or the appropriate Committee of the Board of Directors); or (b) referred to the police or the appropriate regulatory or legal authority.

Within a maximum of ten (10) business days of a report being received, a designated Human Resources officer will communicate with the complainant:

- acknowledging that the report has been received;
- indicating how he/she proposes to deal with the matter;
- giving an estimate of how long it will take to provide a final response;
- telling him/her whether any initial enquiries have been made; and
- telling him/her whether any further investigations will take place, and if not, why not.

Cineplex acknowledges that those people who reported the alleged violation of this Code need to be assured that the matter has been properly addressed. Thus, subject to legal constraints and confidentiality of human resources matters generally, Cineplex will provide the complainant with information about the outcomes of any investigation.

**Approved March 12, 2010**