

CWB Group Conduct Policy

(January 2011)

The following Personal and Business Conduct Policy is applicable to all employees of CWB Group. Employees are required to sign the Personal & Business Conduct Policy Compliance Report (Form [2014](#)) agreeing to full compliance of the Policy on commencement of employment. Further, understanding and compliance is to be confirmed on an annual basis. For current employees, this will be accomplished during the annual Performance and Development review process. It must be noted that failure to comply with any of the requirements outlined in this policy may result in disciplinary action being taken by CWB Group including possible termination of employment.

1.0 Purpose

For CWB Group to continue to be successful, we must maintain the trust and confidence of all our stakeholders (clients, shareholders and employees). Each business decision and interaction with a stakeholder provides us with this opportunity. Integrity, excellence and respect for the community, including the environment, are principles by which CWB Group operates.

- 1.1 The purpose of this policy is to establish certain standards of conduct for employees in order to prevent improper conduct, to avoid conflict of interest, ensure protection of personal information and to maintain the operational procedures (in form and substance), and thereby, the reputation of CWB Group.
- 1.2 Employees are therefore under a duty to CWB Group, its customers and its shareholders, to act, in all matters, in a manner that will merit public trust and confidence in themselves and the Company.
- 1.3 Each employee will deal fairly with the CWB Group's security holders, customers, suppliers, competitors, employees and employment applicants. No employee should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice.

2.0 Personal Conduct

- 2.1 Employees of CWB Group will undertake to conduct themselves with honesty and integrity in all matters in order to earn and retain the trust and respect of each other within the Company as well as external stakeholders, including customers, suppliers, shareholders and the general public. This includes refraining from activities which affect performance or reflect negatively on the Company's reputation. Employees will diligently perform all the duties reasonably required by the Company, and will account for and deliver to the Company all monies, securities, and other property, which they may from time to time receive for, from, or on account of CWB Group.

2.2 "Whistle-Blower"

"Whistle-Blowing" is the act by an employee who reports or discloses illegal, fraudulent or corrupt activity.

It is the duty of each employee to question any activity or transactions, including accounting or auditing matters, that he/she does not understand or of which he/she has any reason to question the propriety. Employees shall report such activities to his/her supervising officer or, if such activity involves the supervising officer, to a higher ranking officer.

Further, if the employee wishes to communicate his/her concerns anonymously, and/or confidentially, they are to use one of the following "[Whistle-Blower](#)" contacts:

Chief Financial Officer Email: tracey.ball@cwbank.com Work Phone: (780)423-8855 Mailing Address: Attention: Tracey Ball c/o Canadian Western Bank Suite 3000, 10303 Jasper Avenue Edmonton, AB T5J 3X6 Marked: PERSONAL & CONFIDENTIAL	Chief Internal Auditor Email: lars.christensen@cwbank.com Work Phone: (780) 423-8852 Mailing Address: Attention: Lars Christensen c/o Canadian Western Bank Suite 3000, 10303 Jasper Avenue Edmonton, AB T5J 3X6 Marked: PERSONAL & CONFIDENTIAL	Chairman of the Audit Committee Robert Manning Email: rmanning@shawbiz.ca Work Phone: (780)438-2626 Mailing Address: Attention: Robert Manning c/o Cathton Holdings 210 - 5324 Calgary Trail Edmonton, AB T6H 4J8 Marked: PERSONAL & CONFIDENTIAL
Senior VP and General Counsel Email: gail.harding@cwbank.com Work Phone: (403) 268 7829 or (780) 969-1525 Mailing Address: Attention: Gail Harding c/o Canadian Western Bank Suite 200, 606 - 4 th Street SW Calgary, AB T2P 1T1 Marked: PERSONAL & CONFIDENTIAL	Senior VP Human Resources Email: uve.knaak@cwbank.com Work Phone: (780) 423 8871 Mailing Address: Attention: Uve Knaak c/o Canadian Western Bank Suite 3000, 10303 Jasper Avenue Edmonton, AB T5J 3X6 Marked: PERSONAL & CONFIDENTIAL	Shareholder.com (External Confidential Contact) Website: http://www.openboard.info/cwb/ Email: cwb@openboard.info Telephone: (866) 621-9248

Contact information for the Chief Financial Officer; Chief Internal Auditor; Senior VP and General Counsel; and Senior Vice-President Human Resources is available through CWB Group's online internal directory. For the Chairman of the Audit Committee, contact information is available on the CWB Group website at www.cwbankgroup.com and in the Annual Report published both in hard copy and on the website (in the Investor Relations section).

- 2.3 Each employee is expected to represent CWB Group to the public in a professional and positive way. As part of this professional image, it is necessary that each employee maintain good grooming, proper business dress, and a positive attitude.
- 2.4 Each employee must be sensitive to the needs of fellow employees and ensure that points of friction are overcome by prompt and courteous consultation. CWB Group is committed to ensuring a workplace free of any form of harassment or discrimination. Therefore any instances of harassment or discrimination will be dealt with firmly and if confirmed may result in termination of employment. Corrective action will be undertaken in a constructive manner with a view to resolving the problem and respecting the privacy of all parties concerned.
- 2.5 Each employee who is a user of the Internet email on CWB Group systems is acting as a representative of the Company when using the system and must conduct themselves as such, practising good judgement and discretion as if he/she were attending a public meeting or corresponding under company letterhead, (refer to 9.3 & 9.4).

3.0 Conflict of Interest

- 3.1 Private business and personal activities of employees should be conducted in a manner that avoids conflicts of interest with CWB Group or its customers. A conflict of interest may be defined as any situation in which an employee is exposed to two or more duties which, to some degree, are mutually incompatible. A possible conflict of interest exists whenever employees or members of their Immediate Families have an interest in an entity or matter which may influence or cloud the judgement they may have to make in the discharge of their responsibilities to CWB Group, or may be perceived by the public as doing so.
- 3.2 Private business and personal activities of employees shall be conducted in such a way so as to avoid taking advantage of information obtained because of their position as an employee of CWB Group. This would include trading in securities particularly in securities of the institution and its affiliates on the basis of information known to the employee but not generally known to the public.

4.0 Outside Interests

- 4.1 It is the policy of CWB Group that no employee is to have an outside interest that will materially encroach on time or attention which should be devoted to the employee's duties to the Company; adversely affect the quality of work performed; compete with the Company's activities or those of its customers; involve use of the Company's equipment, supplies or facilities; imply sponsorship or support of the Company for such outside interest; or adversely affect the reputation of the Company. Without limitation to the foregoing, no employee shall:
- a. serve as a director or trustee of an organization, other than a not for profit organization, prior to disclosing the organization and approximate number of hours to be worked per week to, and receiving approval from, the Senior Vice-President, Human Resources (Vice President and higher require the approval of the Chair of the Governance Committee of the Board);
 - b. accept outside employment or enter into trade or business as principal, partner, shareholder, agent or otherwise (except as provided under 5.0 Personal Finances) prior to disclosing the employer and approximate number of hours to be worked per week to, and receiving approval from, the Senior Vice-President, Human Resources;
 - c. accept part-time employment, of any type, prior to disclosing the employer and approximate number of hours to be worked per week to, and receiving approval from, the Senior Vice-President, Human Resources;
 - d. act as a volunteer for any organization which requires, on average, 40 hours per month of volunteer time, without disclosing the organization and the approximate number of hours volunteered per week to, and receiving approval from, the Senior Vice-President, Human Resources, or
 - e. use CWB Group company names or influence for personal purposes.

5.0 Personal Finances

- 5.1 Personal finances must be managed in a manner consistent with employment in a financial institution. This obligation requires the exercise of prudence in making personal investments, maintaining a manageable debt load, avoiding speculative transactions or questionable activity as well as other situations, which might influence judgements made or advice given on behalf of CWB Group.
- 5.2 Ownership of or a beneficial interest in any Security other than those expressly permitted below requires CWB Group approval. Employees and their Immediate Families may invest without CWB Group approval, subject to 5.3, in Securities, which fall into one of the following categories:
- a. Securities issued by CWB Group,
 - b. those Securities which are publicly traded and widely held or those which represent participation in a portfolio (e.g. a mutual fund or other similar pooled fund) of such publicly traded and widely held Securities provided that the Securities acquired or held do not amount to more than 10% of the issued and outstanding Securities of the issuer, and if a participation in a portfolio, such portfolio is managed by a widely held and publicly traded entity or a professional management company,
 - c. those Securities which are designed to provide a deferral of income tax payable by the holder provided that such Securities are publicly traded or widely held and that the Securities acquired or held by an employee and his/her immediate family do not represent 10% or more of the issued and outstanding Securities of the issuer, and to the best of their knowledge the Securities held by all employees and their immediate families do not represent 25% or more of the issued and outstanding Securities of the issuer, or
 - d. those Securities which have a fixed term, do not carry the right to vote, and have no conversion right or privilege whereby such Securities may be converted to Securities carrying voting rights in all circumstances.

- 5.3 The acquisition or disposition of any Security by an employee or a member of his/her immediate family of any entity that conducts business with CWB Group is prohibited if:
- a. the employee knows that CWB Group is in the process of buying or selling such Security either for its own account or the account of others, until CWB Group's transactions are completed, or
 - b. the employee possesses confidential or insider information relating to the issuer of the securities which has been made available to CWB Group and is not generally available to the public, until such information has been made available to the public or would no longer be reasonably considered confidential.
- 5.4 Securities of an organization acquired prior to such organization conducting business with CWB Group or becoming a customer of CWB Group must be disposed of within 1 year, from the date the employee is or ought to have been aware that the organization commenced to conduct business with CWB Group or became a customer of CWB Group. Exceptions must be fully disclosed and bear the written approval of the President & CEO or his designate.

6.0 Business Gifts and Entertainment – Giving & Receiving

The giving and receiving of business gifts is a customary way to strengthen business relationships and, with some restrictions, is a lawful business practice, providing that such gifts are nominal in value and not given or received with the intent or prospect of influencing the recipient's business decision-making. The onus is on each CWB Group employee to:

- a) use good judgement and consider the implications before accepting or giving gifts, entertainment or similar favours,
- b) ensure any business gift is nominal in cost, quantity and frequency, not cash or cash equivalent, and that the gift can withstand public scrutiny without damaging CWB Group's reputation,
- c) ensure the giving or receiving of gifts does not influence or give the appearance of influencing business judgement, and
- d) consider the impact of the gift on building positive business relations and how that gift might look to an outsider.

7.0 Disclosure and Reporting

- 7.1 It is the responsibility of each employee to be familiar with CWB Group's Conduct Policy and to abide by the letter and spirit of its provisions at all times. If a potential conflict of interest exists an independent review must immediately be made of all matters relating to the potential conflict before the employee commits himself/herself or the Company, to any action.
- 7.2 Every employee, upon discovery of a potential conflict of interest, must make full and complete disclosure of all relevant facts to the Senior VP, Human Resources or designate for consideration. The Senior VP, Human Resources or designate shall determine whether a conflict of interest is likely or not likely to result from the situation and the appropriate action to be taken by the employee.
- 7.3 Upon commencement of employment, each employee shall complete, sign and file with the Senior Vice President, Human Resources or his designate a compliance report (Form [2014](#)).
- 7.4 Compliance with this policy will be acknowledged thereafter on an annual basis as part of the performance and development review process. Involvements that have been approved and are still in effect must be listed on the current performance review and respectively will be included in the HR information database. Any involvements previously disclosed but not included on the current performance review will be deemed inactive and removed from the HR information database.

8.0 Confidential Information

- 8.1 Financial and personal information about customers, employees of the CWB Group and employment applicants is entitled to the same respect and care as funds or valuable physical property. To protect the privacy rights of its customers and employees, CWB Group will, subject to applicable law,
- a. collect, access and maintain only that information which is specifically necessary to:
 - properly serve employee and customer accounts,
 - accurately assess an employment applicant,
 - maintain an employee or employment applicant file and/or an employee loan file.
 - This includes, but is not limited to, obtaining a security clearance and a credit bureau report when needed for attaining necessary approvals and, due to the nature of a fiduciary institution, when deemed necessary by the supervising VP together with the Human Resources Department,
 - b. maintain in a secure manner all files and record keeping systems which contain information on customers, employees and employment applicants, including individual workstations which may include personal information as well as work-related information and if left unsecured may be subject to unauthorized access or review by the Audit department, and
 - c. divulge no personal or credit information to third parties except with proper customer, employee or employment applicant authorization or pursuant to proper legal process or regulation or for purposes of extension of credit by other lenders.
- 8.2 In the event of legal process requiring CWB Group to disclose customer, employee, or employment applicant information, the Company will:
- a. subject to applicable law, notify the customer, employee, or employment applicant as promptly as possible of the request,
 - b. consider using the maximum legal waiting period before honouring the process, to give the customer, employee or employment applicant the opportunity to take any available legal recourse, and
 - c. refuse to permit inspection of files not directly required by such legal process. Only information specifically required will be released.

9.0 CWB Group Assets/Properties

- 9.1 All CWB Group assets/properties shall be used strictly for business purposes of the Company. Due care must be exercised at all times when handling the Company's assets/properties to prevent unnecessary loss or damage (e.g. precautions are to be taken so as not to introduce computer viruses into CWB Group's computer system). Problems concerning the Company's assets/properties must be reported to the Manager/Department Head concerned immediately.
- 9.2 All CWB Group policies, procedures, systems, software programs (purchased from vendors or internally developed), manuals, information and records are the strict property of the Company, are confidential and are not to be reproduced for and/or communicated to any party without prior approval.
- 9.3 Access to the **Internet and Internet based e-mail** systems through CWB Group-owned PCs is provided for business purposes and personal use without prior approval, is strongly discouraged. Further, the use of CWB Group's system for viewing and transmission of jokes, pornographic material, and other inappropriate non-business messages is strictly prohibited.

In the event child pornography is found on a CWB Group PC or laptop, or it is discovered that child pornography sites are being visited, CWB Group will advise the local police department. Once direct responsibility is confirmed the individual's employment will be terminated immediately "with cause".

Further, due care must be exercised at all times to protect CWB Group against dissemination of confidential information or misrepresentation of the Company's position, which may expose CWB Group to loss of reputation or a possible lawsuit. The Internet is also an avenue for the delivery of malicious software code such as computer viruses and worms and restricting use to business purposes and business sites will safeguard the Company against these kinds of threats. Improper use also includes copying of or distribution of any confidential or copyright material.

All Internet usage is monitored and recorded. Reports are provided to management to assist in the verification of proper use and disclose where further investigation and/or other appropriate action is required to safeguard CWB Group.

- 9.4 As with Internet and Internet Email, access to **CWB Group's e-mail** system is also provided for business purposes and is subject to the same guidelines and monitoring as in 9.3.
- 9.5 CWB Group telephone systems are provided for business purposes and while it is understood that on occasion personal use of the phone system is necessary; the use of CWB Group telephone systems for personal use should be minimal and not adversely affect the employee's job duties. In addition, CWB Group telephone systems must not be subject to conversation or dealings which involve inappropriate activity.

It is understood as an employee of CWB Group that areas in which customer relations are conducted via telephone may be subject to audio monitoring and taping in order to protect the security and integrity of CWB Group. Further, any monitored or taped conversations may be used internally for the purposes of training and performance reviews and externally as required by law.

Areas of the CWB Group which use voicemail systems are subject to recording and temporary or permanent storage of voicemail messages. This is part of CWB Group's business and accordingly, employees should not use the voice messaging system for inappropriate communications.

10.0 Interpretation

10.1 For the purposes of this policy:

- a. "CWB Group" and the "Company" refers to Canadian Western Bank and its subsidiaries, Canadian Western Trust Company, Valiant Trust Company, Canadian Direct Insurance Inc., Canadian Western Financial Ltd., National Leasing Group Inc. and Adroit Investment Management Ltd., and
- b. "CWB Group Approval" means approval by the Senior VP, Human Resources or his designate, and
- c. "Security" means any stock, bond, note, debenture, money market instrument, partnership instrument or other investment or document commonly known as a security or which represent any of them, and
- d. "Immediate Family" means spouse, as well as children, relatives, or other individuals who are either wholly or partially financially dependent on the employee, or any individual or organization which represents or acts as agent or fiduciary for such individuals.