

**THESCORE, INC.**  
**POLICY CONCERNING INSIDER TRADING, INSIDER REPORTING AND**  
**DISSEMINATION OF MATERIAL INFORMATION**

**1. Application**

This Policy applies to all directors, senior officers and other employees of theScore, Inc. and each of its subsidiaries (collectively, the "**Companies**"). Anyone who requires clarification or direction as to any matter under this Policy may discuss it with the Compliance Officer. The Compliance Officer under this Policy is the Chief Financial Officer.

**2. Inside Information**

"Inside Information" means:

- (a) a change in the business, operations or capital of the issuer that would reasonably be expected to have a significant effect on the market price or value of the securities of theScore, Inc. (this would include any decision of the board of directors to implement such a change); or
- (b) a fact that would reasonably be expected to have a significant effect on the market price or value of the securities of theScore, Inc. which may include, but is not limited to financial statement information, developments relating to technology or products, possible acquisitions or joint ventures, the acquisition or loss of a significant contract, competitive threats, significant financing developments, major personnel changes, and major litigation developments,

which has not been previously disclosed.

**3. Insider Trading Rule**

- (a) No person with knowledge of Inside Information may trade in the securities of theScore, Inc..
- (b) No person may "tip-off" others with Inside Information.

**4. Trading in Shares of theScore, Inc.**

- (a) No one who has knowledge of Inside Information shall trade in the shares of theScore, Inc. until:
  - (i) Two trading days after the issue of a press release disclosing the information; or
  - (ii) the information ceases to be material (e.g., the potential transaction which was the subject of the information is abandoned)
- (b) No director or officer of the Companies shall trade in the securities of theScore, Inc. during the period beginning 15 days before and ending two trading days after

the issue of a press release announcing the quarterly financial results of theScore, Inc. ("the Quarterly Blackout Period").

- (c) No director or officer of the Companies shall trade directly or indirectly in "put" or "call" options in respect of the securities of theScore, Inc.
- (d) No employee who has knowledge of the quarterly financial results shall trade in the securities of theScore, Inc. during the Quarterly Blackout Period.

## **5. Disclosing Material Information**

- (a) No one shall communicate Inside Information about the Companies to any other person or company, except with the express permission of the Compliance Officer. In this regard, the following points should be noted:
  - (i) Avoid inadvertent communication of Inside Information, as well as intentional communication of such information.
  - (ii) Care should be taken to avoid discussions of such Inside Information in places where they may be overheard.
  - (iii) Protect documents and other relevant material from being seen by individuals who do not need to know such Inside Information in the necessary course of business.
  - (iv) Discussion of the Corporation's corporate matters in chat rooms or bulletin boards is prohibited. Employees shall report to the Compliance Officer any discussion pertaining to the Corporation which they find on the Internet.
  - (v) The standard corporate response to questions concerning rumours or speculation shall be: "We do not comment on rumours or speculation." Generally, the Corporation shall not respond to market rumours unless required by regulatory authorities.
- (b) If Inside Information is communicated with the express/written permission of the Compliance Officer, the individual communicating the Inside Information to someone who was not previously aware of it shall advise the recipient that he/she is prohibited from:
  - (i) trading in securities of theScore, Inc. except as outlined in the preceding Section 4; and
  - (ii) communicating the Inside Information to another person.
- (c) An individual with knowledge of Inside Information shall not encourage any other person or company to trade in the securities of theScore, Inc. regardless of whether the Inside Information is specifically communicated to such person or company.

- (d) Where an individual is approached by the media or an analyst (i.e., an individual engaged in the business of researching and analyzing companies in order to value the securities of the company), such individual is prohibited from:
- (i) releasing any information through a response to an inquiry made by the media or an analyst; and
  - (ii) reviewing or correcting any analyst's report concerning theScore, Inc.

Individuals should refer media or analysts to the Compliance Officer, or where it is necessary that the response be made by the particular individual, he/she shall seek the permission of the Compliance Officer before engaging in any discourse.

## **6. Trading On or Communicating Inside Information – Other Companies**

In the course of the Companies' business, an individual may obtain inside information about another publicly traded company. In that case, the restrictions set out in the preceding paragraphs of Sections 3, 4, and 5 apply to that individual with respect to trading in the securities of, and communicating Inside Information about, that other company.

## **7. Insider Reporting**

### *(a) Who is an Insider?*

For reporting purposes, the insiders of the Corporation include the following:

- (i) any director (including a person acting in a capacity similar to that of a director) or senior officer (meaning the chairman or a vice-chairman of the board of directors, president, vice-president, secretary, treasurer or general manager or an other individual who performs functions similar to those normally performed by an individual occupying any such office, and each of the five highest paid employees, including the individuals holding the offices noted above) of the Corporation;
- (ii) any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over, more than 10% of the outstanding voting securities of the Corporation;
- (iii) any director or senior officer of a company that is itself an insider or subsidiary of the Corporation; and
- (iv) the Corporation itself, if it purchases, redeems or otherwise acquires any of its own securities, for so long as it holds such securities.

### *(b) Reporting Requirements for Insiders*

Insiders must file an initial insider report disclosing their holdings of securities of the Corporation within 10 days of the later of becoming an insider and the acquisition of securities of the Corporation. Reports are now to be filed electronically. Account profiles have been set up on SEDI for each of the

Corporation's Directors and Senior Officers. While the Corporate Secretary is available to assist insiders with their electronic filings, it is the responsibility of insiders to ensure that all filings are made in an accurate and timely manner.

Following the initial report, insiders must report any changes in their insider interest and holdings that occur. The subsequent report is required to be filed on SEDI. Each subsequent report must be filed with these authorities within 10 days from the day on which the change takes place.

Subsequent insider trading reports must specify the date of the last insider report filed and must disclose the securities of the Corporation held at that date. The report must show the direct or indirect beneficial ownership of or control or direction over the securities of the Corporation at the date to which the report relates, as well as the change or changes that have occurred since the last report. It should be noted that the report must disclose details of every purchase and sale or grant of options or other change that has occurred and not only the net effect of a series of transactions undertaken.

Upon the occurrence of a corporate event, for example, a stock dividend, stock split, consolidation, amalgamation, reorganization, merger or other similar corporate event that affects all holdings of a class of securities of the Corporation in the same manner, on a per share basis, the insider reporting requirements can be satisfied if an officer of the Corporation files written notice of the event within 10 days of the event. Subsequent insider reports filed by the insider must take into account any such change reported on by the Corporation on behalf of the insider. The officer making the filing must, therefore, notify all insiders of the Corporation of the change which was reported.

In most provinces an insider may not transfer any securities of a reporting issuer into the name of an agent, nominee or custodian without delivering to the various securities commissions a report of such transfer, once again filed electronically.

In completing insider reports, the impact of derivative or equity monetization transactions must also be disclosed.

## **8. Condition of Employment/Penalties**

It is a condition of their appointment or employment that directors, senior officers and employees of the Companies at all times abide by the standards, requirements and procedures set out in this Policy. Any breach of this Policy will be grounds for sanctions including termination of appointment or employment.

The various federal and provincial statutes which impose trading restrictions and insider reporting obligations also impose substantial penalties and civil liability for a breach of these provisions. The following is a brief summary.

### *(a) Penalties*

- (i) Contravention of a provision prohibiting insider trading or communicating Inside Information by any person or company constitutes an offence. The minimum fine for an offence is equal to the profit made or the loss

avoided by reason of the contravention, and the maximum fine is the greater of \$5,000,000 and triple the amount of the minimum fine. An individual may also be subject to a term of imprisonment of not more than five years less a day.

- (ii) The failure of any person or company to file a required insider report, or the filing of a misleading insider report, constitutes an offence. An individual may be subject to a possible fine of up to \$5,000,000 and/or a term of imprisonment of not more than five years less a day.
- (iii) Where a company is found to have committed an offence, the directors and officers of the company may be found equally liable.
- (iv) In addition to penalties for contravention of these provisions, the court may order a convicted person or company to make restitution or compensation payments to an aggrieved person or company.

(b) *Civil Liability*

- (i) Civil liability in respect of a breach of the insider reporting or trading obligations may be imposed in the following manner, in addition to any penalty which is assessed. Any individual who purchases or sells securities of theScore, Inc. with knowledge of Inside Information concerning theScore, Inc. is liable to compensate the seller or purchaser of the securities, as the case may be, for any damages that result from the trade.
- (ii) Any individual who, directly or indirectly, improperly communicates Inside Information to another person or corporation who thereafter purchases or sells securities of theScore, Inc. is liable to compensation the uninformed seller or purchaser of the securities, as the case may be, for any damages that result from the trade.
- (iii) Any individual may, in addition to any liability to a seller or purchaser of shares in this situation, be liable to account to theScore, Inc. for any benefit or advantage received as a result of the trade.