



## **MOSAID TECHNOLOGIES INCORPORATED**

### ***WHISTLEBLOWER PROTECTION POLICY ON FINANCIAL MATTERS***

#### **General**

“**MOSAID**” refers to MOSAID Technologies Incorporated and to all related and subsidiary corporations of MOSAID.

MOSAID prides itself on being a good corporate citizen and is committed to the highest ethical standards. MOSAID maintains a high standard of business ethics by conducting its business with integrity and by achieving compliance with all applicable laws, rules and regulations. In line with this commitment, and in keeping with MOSAID’s adherence to a practice of maintaining open communications with its employees, this Whistleblower Protection Policy on Financial Matters (the “**Policy**”) seeks to provide a confidential and anonymous avenue for MOSAID employees, officers and directors (collectively, the “**Employees**”) to raise any concerns or complaints about the accuracy, fairness or appropriateness of any of MOSAID’s accounting practices or financial reports, with the assurance that in making complaints, they will be protected from reprisal or victimization for raising their concerns in good faith.

For the purposes of this Policy, all accounting, auditing or other financial matters which are the subject of a complaint or submission are referred to as an “**Accounting Irregularity**.”

#### **No Retaliation**

This Policy is intended to encourage and enable Employees to raise serious concerns within MOSAID rather than seeking resolution outside MOSAID.

MOSAID will not retaliate against any Employee for reporting a suspected Accounting Irregularity in good faith and any Employee or agent of MOSAID who retaliates against another Employee who has reported a suspected Accounting Irregularity in good faith is subject to discipline up to and including termination of employment.

This means that MOSAID and its Employees shall not penalize, discharge, demote, suspend, threaten, harass, transfer to an undesirable assignment or location, or otherwise discriminate against any Employee for reporting any suspected Accounting Irregularity.

This protection extends to any Employee who provides information in relation to an investigation including an internal investigation.

#### **Reporting Suspected Accounting Irregularities**

It is the responsibility of all Employees to report all suspected Accounting Irregularities in accordance with this Policy. MOSAID maintains an open door policy and suggests that Employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee’s manager is in the best position to address an area of concern. However, if an employee is not comfortable speaking with his or her manager or he or she is not satisfied with their manager’s response, he or she is encouraged to speak with the Director, Human Resources or any executive with whom he or she is

comfortable speaking. Managers are required to report suspected Accounting Irregularities to the Audit Committee of the Board of Directors (the “**Committee**”) which has specific and exclusive responsibility to investigate all reported suspected Accounting Irregularities. An Employee should contact a member of the Committee directly for suspected fraud or securities law violations, or when that Employee is not satisfied or is uncomfortable with following MOSAID’s open door policy.

### **Investigation of Complaints**

The Committee is responsible for investigating and resolving all reported complaints and allegations concerning suspected Accounting Irregularities. The current Chairperson of the Committee is Norm Paquette and he may be contacted via email at norm.paquette@gridway.net.

### **Accounting and Auditing Matters**

Pursuant to its Mandate, the Committee is responsible for addressing all reported concerns or complaints regarding corporate accounting practices, internal controls or auditing. The Chief Financial Officer is required to immediately notify the Committee of any complaint of which he or she is aware and to work with the Committee until the matter is resolved.

### **Acting in Good Faith**

Anyone filing a complaint concerning a suspected Accounting Irregularity must be acting in good faith. For the purposes of this Policy, “**good faith**” means that an Employee reasonably believes that the suspected Accounting Irregularity is factual and is not reporting the suspected Accounting Irregularity for personal gain or any ulterior motive.

Any allegations that prove not to have been made in good faith and which prove to have been made maliciously or with knowledge that they are false will be viewed as a serious disciplinary offence.

### **Confidentiality**

Complaints or submissions concerning a suspected Accounting Irregularity may be submitted on a confidential basis by the complainant or may be submitted anonymously. All complaints or submissions will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### **Handling of Reported Suspected Accounting Irregularities**

The Chairperson of the Committee will notify the sender and acknowledge receipt of the reported suspected Accounting Irregularity within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

MOSAID shall retain records of complaints for a period of no less than seven years as a separate part of the records of the Committee, which records shall be reviewed by the Committee semi-annually.

Dated this 5<sup>th</sup> day of March, 2008.