

# Personal Trading Policy

COMPLIANCE & ETHICS



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## OVERALL PRINCIPLES

Securities laws and fiduciary duties impose restrictions on personal trading when you have material information about a public company that has not been disclosed publicly (called *Inside Information*).

### It is against the law:

- for you or anyone else to buy or sell securities based on Inside Information which you have obtained from OMERS or any other source (called *insider trading*)
- to pass Inside Information to someone outside the ordinary course of business or encourage others to trade in securities of the issuer (called *tipping*)
- to use the confidential trading intentions of OMERS or others to make personal trades in advance of their orders (called *front running*)

This Policy confirms our commitment to carry out our personal trading and investment activities lawfully and professionally, using the highest standards of integrity. This Policy includes additional reporting and other restrictions on Access Person in their personal trading.

**This Policy applies to all employees across OMERS, members of the Board of Directors of OMERS Administration Corporation (OAC), and to all third-party contractors who are Access Persons. For the purpose of this Policy, OMERS is comprised of OAC and its Business Units. It does not apply to portfolio companies.**

Next scheduled date for review:	August, 2018
Frequency of review:	Every 2 years

## Access Person Obligations

All Access Persons must comply with the following:

- you must disclose information about your investment accounts so Compliance & Ethics can monitor your compliance with this Policy
- you must pre-clear every personal trade (buying and selling) in public securities, unless it is an Exempt Trade
- you must not receive a benefit due to your position at OMERS from a broker that is not available to investors generally
- you must seek an exception from Compliance & Ethics before trading in new issues, private placements, or secondary offerings of public companies

## Who is an Access Person?

Access Persons are those within OMERS who are considered most likely to have access to Inside Information on public companies or their subsidiaries or proposed institutional trading, or on trading strategies or holdings in public companies that could be used for personal benefit. The following are considered to be Access Persons:

- all OAC Directors and the Board Secretariat
- all employees within OPM, OPI (which includes OMERS Ventures), OIM, OCM, IOA, and Communications & Public Affairs
- all employees across OMERS in Support Functions including Legal, Tax, and Finance (but excluding Payroll, AR/AP and Pension Accounting) and in Control Functions including Assurance and Advisory, Compliance & Ethics, and Risk Management
- for Oxford, all employees at VP level and above and anyone designated an Access Person by Oxford

- in all other situations, persons at VP level (or equivalent) or above
- any other person who is designated an Access Person in writing by their manager, compliance officer or by human resources
- administrative assistants for all Access Persons
- if you don't know whether you are an Access Person, you must contact your HR Business Partner, a member of your legal team or Compliance & Ethics

## What are my disclosure requirements?

Any personal brokerage account (including RRSP, RESP and TFSA accounts) held directly, indirectly or beneficially for an Access Person, other than those specifically excluded below, is a Covered Account and must be disclosed to Compliance & Ethics using the Form 1 - Certificate of Compliance, found in the *Personal Trading Guideline*, within 10 working days of becoming an Access Person.

A Covered Account also includes one held for another person, trust or entity where an Access Person directs or influences trading, has trading authority or gives investment advice.

A new Covered Account must be disclosed to Compliance & Ethics within 10 working days after it is opened.

Accounts are excluded from being Covered Accounts if:

- they are managed by a portfolio manager on a discretionary basis, or held in a blind trust, and you have no direct or indirect influence or control (no authority or influence over specific trades),
- they are held by another and the Access Person has no authority or influence over specific trades, or
- they are non-brokerage accounts in which only Exempt Trades are permitted (i.e. an account with a mutual fund dealer or insurance company)

Personal trading in Covered Accounts must be disclosed to Compliance & Ethics by completing a Form 2 - Broker Direction Letter, found in the *Personal Trading Guideline*.

## How do I pre-clear personal trades?

Requests for pre-clearance may be submitted to Compliance & Ethics through the PTA system, or by email to CompliancePTA@omers.com, or by telephone call to a member of the Compliance & Ethics team.

Personal trading is permitted on the same day that pre-clearance is granted and on the following business day

(when the public market is open for the pre-cleared trade). After that, a new pre-clearance must be sought before trading resumes.

Limit or stop-loss orders cannot be used to extend pre-clearance beyond the prescribed time.

Pre-clearance is required before trading or exercising options, unless they qualify as an Exempt Trade.

A pre-clearance may be revoked at any time if the company is added to the Restricted List. In that event, the Access Person must make best efforts to stop any further trades in that company after notification to do so.

## What is an Exempt Trade?

Personal trades of the following securities are exempt from the requirement to pre-clear:

- bank deposits or guaranteed investment certificates
- debt securities issued or guaranteed by a government entity or by a world or regional development bank or monetary fund
- corporate debt instruments with maturities of 365 days or less
- units of open ended mutual funds, segregated funds, pooled trust funds, or of exchange traded funds (ETFs)
- purchases made under automatic dividend reinvestment plans (DRIPs) or share purchase plans, but not sales from these plans made at the direction of the Access Person
- the result of an automatic corporate action or expiry of a right (involuntary trades)
- index products (options, futures or other derivative products that track published indices)
- commodities or derivatives on commodities, and
- the expiry of an option which was pre-cleared at the time of purchase

## What is the Restricted List?

When an Access Person seeks to pre-clear personal trades, they will not be permitted to do so if the company is on the Restricted List. The Restricted List is a confidential list of companies for which OMERS may have Inside Information or may be subject to contractual trading restrictions, or where trading might be imprudent for other reasons.

## What are my training and reporting requirements?

All Access Persons must complete all training requirements and an annual certification of compliance

with this Policy within the time period required by notice from Compliance & Ethics or your legal team.

### Additional requirements for SEC Regulated Employees (including Borealis and OMERS Ventures)

You are an SEC Regulated Employee if you have been designated as such in your hiring letter or by written notice from your manager, your legal team, Compliance & Ethics, or by your HR Business Partner.

All transactions by SEC Regulated Employees in securities of private issuers must be pre-cleared by submitting an exception request using Form 3 – Request for Personal Trading Exception, found in the *Personal Trading Guideline*, to Compliance & Ethics and receiving its written approval.

SEC Regulated Employees must also report to Compliance & Ethics no less than quarterly all transactions and annually all holdings in private issuers, government issued or guaranteed debt (other than US federal government instruments and high quality short term debt instruments), mutual funds, pooled funds, segregated funds, ETFs, and index based products.

Guidance on additional requirements for SEC Regulated Employees can be obtained from the *Personal Trading Guideline* (Appendix C) or from your compliance or legal officer.

### Confidentiality and Privacy

All personal and confidential information received by Compliance & Ethics will be for the purposes stated in this Policy or its Guideline and will be kept private and confidential except for disclosure to the responsible members of senior management or OAC Directors where necessary for the administration of this Policy or to others as required by law.

### Exceptions

Where a trade is prohibited by this Policy or a pre-clearance has been denied, an Access Person may request an exception to permit the trade by submitting to Compliance & Ethics a completed request using Form 3 – Request for Personal Trading Exception, found in the *Personal Trading Guideline*.

Exceptions must be approved prior to trading by Compliance & Ethics and may be granted where the Access Person has demonstrated that s/he:

- will not be trading against OMERS interest
- does not possess Inside Information about the company
- will not be using knowledge of anticipated institutional trading or holdings for personal advantage, and
- will not be receiving a personal benefit due to their position at OMERS from the broker that is unavailable to investors generally

### Responding to Incidents of Non-Compliance

All incidents of non-compliance with this Policy are referred to the Policy Manager (or such person as s/he may appoint or designate) for investigation and response and for input on appropriate disciplinary action.

### Monitoring and Reporting

All control procedures and monitoring for compliance with this Policy will be directed by the Policy Manager and will be implemented day to day by the Policy Monitor.

**Quarterly:** A compliance report to be submitted by the Policy Manager to the Audit & Actuarial Committee.

### Documents related to this Policy

For further guidance on how to comply with this Policy and to access Forms 1 to 3 (discussed above), see the *Personal Trading Guideline*.

#### ROLES & RESPONSIBILITIES

Policy Approver	The Audit & Actuarial Committee of the OAC Board	Responsible for approving the Policy
Policy Sponsor	Chief Risk Officer	Ultimately accountable for the Policy, including its development, implementation and administration
Policy Manager	VP, Compliance & Ethics	Responsible for the design and operational effectiveness of the day to day administration of the Policy
Policy Monitor	Director, Compliance & Ethics and, for Borealis Personnel, the BIUS Chief Compliance Officer	Responsible for the monitoring, compliance and reporting functions of the Policy