
CODE OF BUSINESS CONDUCT

TOMAHAWK RURAL ELECTRIFICATION ASSOCIATION LTD.

APPROVED BY THE BOARD OF DIRECTORS MARCH 1, 2018

INTRODUCTION

Every employee, officer, committee member and director of Tomahawk Rural Electrification Association Ltd. (“**TREA**”) occupies a position of trust. In varying measure, such individuals, as well as certain contractors and agents, represents TREA in its relations with others – whether with members, customers, suppliers, employees, competitors, governments or the general public. Whatever the area of activity and whatever the degree of responsibility, such persons are expected to act in a manner that will enhance TREA’s reputation for honesty, integrity and the faithful performance of undertakings and obligations.

Every officer, committee member and director of TREA has the responsibility to obey the law and act ethically. To that end, this Code of Conduct (the “**Code**”) been adopted by the Board of Directors of TREA as a guide that is intended to sensitize such individuals to significant legal and ethical issues that arise frequently and to the mechanisms available to report illegal or unethical conduct. It is not, however, a comprehensive document that addresses every legal or ethical issue that an employee, officer, committee member and director of TREA may confront, nor is it a summary of all laws and policies that may apply. Ultimately, no code of conduct can replace the thoughtful behavior of an ethical person.

Compliance with the provisions of this Code is mandatory for all employees, officers and directors. Certain contractors, agents and other representatives also may be required to comply with this Code. This Code affirms the commitment of TREA to uphold high ethical standards and to specify the basic norms of behaviour for TREA and employees, officers and directors, contractors, agents and other representatives of TREA. Failure to comply with this Code can have severe consequences. Conduct that violates this Code may violate federal, provincial or state law and can subject both TREA and its employees, officers and directors to prosecution and legal sanctions. Offenders will be appropriately disciplined, which may include discharge from office or termination of employment, for violations of this Code.

If you have any questions about this Code or any policies, rules and employee performance standards, you should consult the Secretary of TREA. If you are concerned about conduct you believe may violate the policies of this Code, such policies, rules and employee performance standards or the law, you should consult with the Secretary of TREA or any member of the Board of Directors you are comfortable with to discuss such issues. Procedures for reporting of suspected violations of this Code are set out under “Compliance – Duty to Report” below.

CONFLICT OF INTEREST AND DISCLOSURE ISSUES

1. CONFLICTS OF INTEREST

Employees, officers and directors must avoid all situations in which their personal interests conflict or might conflict with their duties to TREA. You should seek to avoid acquiring any interests or participating in any activities that would tend to create an obligation or distraction which would affect your judgement or ability to act solely in TREA’s best interest.

Employees, officers and directors owe a duty to TREA to advance its legitimate interests when the opportunity to do so arises and to refrain from activities which could hinder their ability to act in TREA’s best interest, have the potential to do so or could be perceived as doing so.

Employees are required to disclose in writing to TREA all personal, business, commercial or financial interests they may have or activities they may engage in that might reasonably be regarded as creating an actual or potential conflict with their duties of employment.

In addition, directors, officers and committee members are required under corporate law and principles of corporate governance to disclose any interest in and refrain from voting on any material contracts or transactions relating to TREA to which they are a party or have a material interest.

Employees, directors, officers and committee members must do more than merely act within the law. They must act in such a manner that their conduct will bear the closest scrutiny should circumstances demand that it be examined. Not only actual conflicts of interest but the very appearance of conflict should be avoided.

2. PERSONAL GAIN

The law provides that if personal financial benefit is improperly gained by an employee, officer, committee member or director directly or indirectly, through a spouse or child or a relative sharing the same residence as the individual, as a result of his employment or position or by the use or misuse of TREA's property or of information that is confidential to TREA's business, then the employee, officer, committee member or director must account to TREA for any benefit received.

Employees, officers, committee members and directors shall not use their status or position with TREA to obtain personal gain from those doing or seeking to do business with TREA. Except as hereinafter provided, employees should neither seek nor accept gifts, payments, services, fees, special valuable privileges, pleasure or vacation trips, or accommodations or loans from any person (except, in the case of loans, from persons in the business of lending and then only on conventional terms) or from any organization or group that does, or is seeking to do business with TREA or from a competitor of TREA or any of its affiliates.

3. TREA CONFIDENTIAL INFORMATION

Employees, officers, committee members and directors must safeguard TREA's Confidential Information.

"Confidential Information" includes trade secrets, know how, records, data, plans, strategies, processes, business opportunities and ideas relating to present and contemplated products and services and financial affairs of TREA, its customers, its suppliers and/or other employees. Confidential Information is information which is not generally known to the public and is useful or helpful to TREA and/or would be useful or helpful to competitors or suppliers of TREA, including information regarding TREA personnel, real estate, member complaints, strategy and objectives, legal advice, pending litigation and details of TREA's financial status.

Confidential Information also includes any documents containing any of the foregoing or which may be labeled "confidential" or "proprietary."

Employees, officers, committee members and directors may not disclose to the public information which might impair TREA's effectiveness or which might violate the private rights of individuals, enterprises or institutions and are prohibited from discussing or disclosing to the public any Confidential Information without authorization. However, disclosure of Confidential Information may be made for legitimate purposes such as full and complete reporting to governmental, regulatory or enforcement agencies. If in doubt about whether information is Confidential Information, you should assume the information is confidential unless otherwise informed by the Secretary or Chair of the Board of Directors. The above rules also apply to information which TREA has obtained from a member, customer or supplier (or prospective member, customer or supplier) on condition of confidentiality. The foregoing obligations to

maintain confidentiality of Confidential Information and confidential information of current or prospective members, customers and suppliers apply both while a person is an employee, officer, committee member or director of TREA and following termination of such relationship.

If the decision is made to disclose Confidential Information to any person or entity outside of TREA (such as a potential supplier or business partner), it should be done only after appropriate confidentiality agreements are obtained and with express authorization by the Board of Directors.

All employees, officers, committee members and directors are responsible and accountable for the integrity and protection of business information (including electronic mail and voice mail) and must take the appropriate steps to protect such information. Employees, officers, committee members and directors should always be alert to and seek to prevent inadvertent disclosures which may arise in either social conversations or in normal business relations with suppliers and customers.

Unauthorized disclosure of Confidential Information is expected to cause irreparable harm to TREA. Depending on the nature and severity of any unauthorized disclosure, TREA may take any and all steps required to protect its legitimate interests in its Confidential information, including termination without notice, obtaining injunctive relief, and/or recovery of compensatory, special or punitive damages from the disclosing party.

4. INTELLECTUAL PROPERTY

All information, technology and intellectual property, including, but not limited to all creative materials, programs, designs, inventions, developments, strategies, etc. developed by an employee, director, officer or committee member during the course of their engagement by TREA belong to TREA, and all such persons assign to TREA all rights they may have in the information, technology and intellectual property. Such materials shall remain with TREA following termination of employment and employees shall take such reasonable steps as requested by TREA to confirm ownership of such materials in TREA, and to enable TREA to perfect and maintain its title to such information, technology and intellectual property. All employees waive all authors and moral rights which they may have in such information, technology and intellectual property.

5. USE OF COMPANY ASSETS

All employees, officers, committee members and directors have a responsibility to prevent misuse, loss, unauthorized destruction or damage or theft of TREA's assets. Reasonable precautions should be taken to secure TREA premises and assets.

TREA assets should be used solely for the benefit of TREA. Use of TREA's funds or assets for any unlawful or improper purpose is prohibited.

6. USE OF TECHNOLOGY

TREA maintains a variety of electronic communications resources to enable its employees, officers, committee members and directors to better perform their roles and communicate with members. These resources include but are not limited to voice mail and electronic mail accounts associated with TREA, computers, the www.tomahawkrea.com website and other resources that store and transmit information.

TREA's electronic communications resources should generally be used for business purposes only. Although it is recognized that incidental personal use of some of these systems may occur and is acceptable, use of such resources to transmit any unsolicited commercial, advertising or recreational material, or use any system resources for political activities, or to advance the interests of any party other than TREA is prohibited. Furthermore, any personal use of electronic communications resources should be limited in scope, and in no event should any such use cause additional cost to TREA, detract from the individual's duties or performance, jeopardize TREA in any way, or violate any legislation or contravene this policy.

Information transmitted through TREA resources implies affiliation with TREA and should therefore reflect positively upon TREA. Sending, receiving, displaying, printing, or otherwise engaging in any communications that are in violation of the law or this Code, including but not limited to communications that are unlawful, libellous, invasive of another's privacy, threatening, fraudulent, harassing, sexually explicit, defamatory, or otherwise objectionable, or that infringe or may infringe the intellectual property or other rights of another person or company, are prohibited. Employees, officers, committee members and directors are expected to discourage others from transmitting such information to any electronic resources associated with TREA. internet address. Employees must also comply with all laws including those in respect to all forms of intellectual property rights, trademarks, copyrights and harassment.

All information of any kind (including without limitation voice communications and electronic messages) stored or transmitted on Company systems is the property of TREA and TREA has the right to inspect and/or audit any communication or material stored, downloaded, accessed, posted, transmitted or distributed on the employee's computer or voicemail at any time for any purpose, without prior notice to the employee. Communications of any nature on these systems should not be considered private communications.

Upon termination of an employee, officer, committee member or director's role with TREA, all information in their care or control is to be returned to TREA immediately, including any passwords to electronic mail accounts or other online resources associated with TREA. A director whose term is expiring must deliver such passwords and materials at the annual general meeting at which their term expires.

WORK ENVIRONMENT

7. PROHIBITED HARASSMENT, NON-RETALIATION

It is the responsibility of each of us to help TREA provide an atmosphere free of harassing, abusive, disrespectful, disorderly, disruptive or other non-professional conduct. Harassment in any form, verbal or physical, by any employee, will not be tolerated. TREA requires every person to show sound judgment and respect for the feelings and sensibilities of all other employees.

If employee, officer, committee member or director feels that another employee, officer, committee member or director's conduct is harassing or improper or offensive, the offended person should promptly and firmly tell the offender that his or her behaviour is unwelcome. Doing so places the offender on notice that his or her conduct is inappropriate. Any person who believes he or she has been subject to repeated harassment or offensive conduct, may report the offence to Secretary of TREA or any member of the Board of Directors you are comfortable with to discuss such issues. TREA will promptly investigate every complaint of harassment or improper or offensive conduct.

8. EMPLOYEE PRIVACY AND PERSONAL INFORMATION

TREA believes in taking steps to protect the privacy of its members, employees, officers, committee members directors, contractors, agents and other representatives. TREA will not interfere in the personal lives of such individuals unless their conduct impairs their work performance or adversely affects the work environment or reputation of TREA.

TREA limits the collection of personal information to that which is necessary for business, legal, security or contractual purposes and collection of personal information is to be conducted by fair and lawful means with the knowledge and consent of the individual from whom the information is being collected.

Personal information shall not be used or disclosed for purposes other than those for which it was collected, except with the knowledge and consent of the individual or as required by law.

Personal information shall be retained only as long as necessary for the fulfilment of those purposes and shall be kept sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used or disclosed.

TREA and its employees, officers, committee members and directors will observe obligations of confidentiality and non-disclosure of personal information, including information of its members, customers and employees, with the same degree of diligence that employees are expected to use in protecting confidential information of TREA.

TREA is responsible for all personal information in its possession or custody, including information that has been transferred to a third party for processing, and all employees, officers, committee members and directors shall adhere to TREA's policies and procedures in place to protect personal information against loss or theft, as well as unauthorized access, disclosure, copying, use or modification. TREA and all employees shall also comply with all applicable laws regulating the disclosure of personal information, including the *Personal Information Protection Act* (Alberta).

BUSINESS PRACTICES

9. USE OF CONTRACTS

It is TREA's policy to document business transactions with full and complete written agreements. Oral contracts, brief letters of understanding, informal letters of intent, and "handshake deals" are discouraged.

Where TREA has developed standard written contracts, such as Electric Services Contracts, TREA employees should use these standard forms except to the extent that changes are authorized either by the Board or TREA's Legal Counsel.

TREA's Legal Counsel should be contacted for assistance in preparing and reviewing written contracts. All contracts should be reviewed and approved by Board and, where appropriate, TREA's Legal Counsel prior to being executed.

10. RECORDS RETENTION AND DESTRUCTION

Certain records received or generated at TREA must be retained for specified periods of time; other records should be purged on a regular basis. Legal and regulatory practice requires the retention of certain records for various periods of time, particularly in the tax, personnel, health

and safety, food safety, environmental and financial areas. Failure to retain documents for such minimum periods may subject TREA to penalties and fines or place TREA at a serious disadvantage in litigation. In addition, when litigation or a governmental investigation or audit is pending or imminent, relevant records must not be altered or destroyed until the matter is closed. Destruction of records to avoid disclosure in a legal or governmental proceeding may constitute a criminal offense.

DEALINGS WITH PERSONS OUTSIDE TREA

The honesty and integrity of those who represent TREA must underlie all of TREA's relationships, including those with members, customers, suppliers, governments, regulators, professional service providers and others.

11. DEALING WITH PUBLIC OFFICIALS

All dealings between employees, officers and directors of TREA and public officials are to be conducted in a manner that will not compromise the integrity or impugn the reputation of any public official, member, employee, officer, committee member or director of TREA. Non-routine and high profile contacts with public officials should be handled through or coordinated with the Chair of the Board of Directors.

TREA and its representatives will not engage in or undertake lobbying activities as defined in the *Lobbyist Registration Act* (Canada) and the *Lobbyist's Act* (Alberta) without the prior express approval of the Board of Directors and after meeting all registration requirements under the applicable legislation, regulations and related laws.

12. DEALING WITH THE MEDIA

TREA is committed to providing, as appropriate, full and prompt disclosure to the media of material developments and events. However, all media relations are to be co-ordinated through the Secretary and in accordance with applicable laws. Employees, officers, committee members and directors should not comment on any inquiry from the media without prior approval of the Secretary or Board of Directors.

13. DEALING WITH MEMBERS

Any inquiries from TREA members should be directed to the Secretary.

14. INVESTIGATIONS

It is the policy of TREA to fully cooperate with any appropriate governmental or regulatory investigation. A condition of such cooperation, however, is that TREA be adequately represented in such investigations by its own independent legal counsel. Accordingly, any time an employee, officer, committee member or director receives information about a new government investigation or inquiry, this information should be communicated immediately to the Secretary.

Employees, officers and directors should never, under any circumstances:

- (a) destroy or alter any TREA documents or records in anticipation of a request for those documents from any government agency or a court;

- (b) lie or make any misleading statements to any governmental investigator (including routine as well as non-routine investigations); or
- (c) attempt to cause any TREA employee, or any other person, to fail to provide information to any government investigator or to provide any false or misleading information.

Should any governmental or regulatory inquiry be made through the issuance of a written request for information, such request should immediately, and before any action is taken or promised, be submitted to the Secretary for presentation to the Board of Directors. Oral inquiries and requests for documents or information should also be directed to the Secretary for presentation to the Board of Directors.

COMPLIANCE

15. DISTRIBUTION OF THE CODE

Each employee, officer, committee member and director of TREA will be provided with a copy of this Code. A copy of the Code will also be provided to each committee member and director as part of his or her orientation materials.

At the commencement of employment or appointment as an officer, committee member or director, as the case may be, and every year thereafter, each employee, officer, committee member and director shall sign the applicable Acknowledgement and Disclosure Statement, which will be retained by the Secretary of TREA, and which shall confirm that such person has read or reread, as the case may be, the current version of this Code.

Failure or refusal to sign the Acknowledgement and Disclosure does not in any way invalidate the applicability of this Code, which applies to all employees, officers directors and committee members of TREA until replaced or amended by the Board of Directors.

16. MONITORING COMPLIANCE

The ultimate responsibility for monitoring compliance with the Code lies with the Board of Directors. The Board of Directors has delegated responsibility for day-to-day administration of the Code to the Secretary.

TREA reserves the right to audit compliance with this Code. Accordingly, all employees, officers, committee members and directors shall afford any external or internal auditors full, free and unrestricted access to all TREA operations, records, facilities and personnel and will take appropriate measures to safeguard information obtained through the audit process.

17. DUTY TO REPORT

Every employee, officer, committee member and director has a duty to report any violations of this Code. Managers, officers, directors and trustees may also be subject to disciplinary action if they condone misconduct or do not demonstrate the appropriate leadership to ensure compliance with the Code.

An employee, officer or committee member who becomes aware of a violation or possible violation of this Code or any of TREA's statements and policies must report that information immediately to the Secretary or any member of the Board of Directors you are comfortable with to discuss such issues.

A director that becomes aware of a violation or possible violation of this Code or any of TREA's statements and policies must take reasonable steps to investigate such circumstances and, if a violation has occurred, report such violation to the Board for consideration of appropriate remedial action.

TREA will not permit any form of retaliation, (including discharge, demotion, suspension, threats, harassment or any other form of discrimination) against an employee who has truthfully and in good faith:

- reported violations of this Code;
- lawfully provided information or assistance in an investigation regarding any conduct which the employee reasonably believes constitutes a violation of applicable securities laws or applicable federal laws relating to fraud against shareholders;
- filed, caused to be filed, testified, participated in or otherwise assisted in a proceeding related to a violation of applicable securities laws or applicable federal laws relating to fraud against shareholders; or
- provided a law enforcement officer with truthful information regarding the commission or possible commission of a federal offence, unless the individual reporting is one of the violators.

18. WAIVER, AMENDMENTS AND INTERPRETATION OF THIS CODE

TREA retains sole discretion in interpreting and applying the Code. TREA will periodically review its Code and make appropriate additions or changes. The Code may be updated, modified or withdrawn by TREA at any time in its sole discretion.

APPENDIX A

CODE OF BUSINESS CONDUCT

ACKNOWLEDGEMENT AND DISCLOSURE STATEMENT

EMPLOYEE/OFFICER

I acknowledge that I have received a copy of TREA's Code of Business Conduct and that I have read or re-read such code(s) this year. I understand the provisions of the Code of Business Conduct and I acknowledge and accept that my continued employment or engagement may be dependent upon my compliance with TREA's rules and policies as set forth therein. I agree that TREA may, from time to time, require that I execute periodic renewals or alternative versions of this acknowledgement and disclosure statement.

I also understand that I have an obligation to report any violation of these rules and policies in the manner set forth in the Code of Business Conduct.

**LIST OF KNOWN VIOLATIONS OF THE CODE OR CONFLICTING TRANSACTIONS,
AFFILIATIONS, VENTURES OR PARTNERSHIPS:**

(If none, please check "I have nothing to disclose" below. If there are such disclosures or if you are not sure, list these below, using attachments if necessary.)

I have nothing to disclose.

I disclose the following:

NAME OF EMPLOYEE

TITLE

LOCATION

EMPLOYEE SIGNATURE DATE

I have reviewed the Code of Conduct with the above-named employee, and have reviewed all disclosure items set forth above and/or on any attachment.

CHAIR OF BOARD OF DIRECTORS or delegate DATE

APPENDIX B

CODE OF BUSINESS CONDUCT

ACKNOWLEDGEMENT AND DISCLOSURE STATEMENT

COMMITTEE MEMBER/DIRECTOR

In my role as committee member/director of TREA,

I recognize that the members of TREA have entrusted me with a fiduciary duty to act in the best interests of TREA and its stakeholders, and that the Board of Directors has delegated to its Secretary (and any other senior officers that may be appointed) to work in conjunction with its Distribution System Operator to manage the day-to-day operations of TREA.

I certify to you that I adhere to and advocate the following principles and responsibilities governing my professional and ethical conduct.

To the best of my knowledge and ability:

1. I act with honesty and integrity, including the ethical handling and avoidance of actual or apparent conflicts of interest in personal and professional relationships. In particular, I do not use or attempt to use my positions at TREA to obtain any improper benefit for myself, my family, or for any other person.
2. I encourage open communication with the Secretary and accountants engaged in financial audits of TREA to promote full disclosure of all relevant and material financial information, both favourable and unfavourable.
3. I promptly bring to the attention of the Chair of the Board of Directors and the Secretary any information I may have concerning (a) significant deficiencies in the design or operation of internal controls which could adversely affect TREA's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in TREA's financial reporting, disclosures or internal controls.
4. I proactively promote ethical behavior as a responsible partner among peers in my work environment and promote the prompt internal reporting of violations of this Code.
5. I act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing my independent judgment to be subordinated.
6. I respect the confidentiality of information acquired in the course of my work except when expressly authorized by the Board of Directors or otherwise legally obligated to disclose. Confidential information acquired in the course of my work is not used for personal advantage.
7. I achieve responsible use of and control over all assets and resources employed or entrusted to me.
8. While I may disagree with a policy or action properly approved by the Board of Directors, I support the collective decision-making authority of the Board of Directors including with respect to matters to which I may personally dissent, and respect the confidentiality of the deliberations of the Board of Directors.

SIGNATURE

NAME

DATE