



**CODE OF CONDUCT
AUTOCANADA INCOME FUND, AUTOCANADA LP.
&
RELATED DEALERSHIPS**

1. INTRODUCTION

1.1 This Code of Conduct (the “Code”) contains policy, guidelines and principles applicable to employees, trustees, directors and officers of AutoCanada Income Fund, its operating subsidiary limited partnerships and its related dealerships (collectively referred to as “AutoCanada”). This Code cannot and is not intended to anticipate every issue that may arise. As with any statement of policy, the exercise of judgement is required in determining applicability of this Code to each individual situation. The term “employee” is used to collectively refer to an employee, trustee, director and officer of AutoCanada.

2. COMPLIANCE WITH POLICIES

2.1 Employees must at all times comply fully with all policies governing the conduct of AutoCanada and its employees, including the provisions of the Dealer Pledge, set out as Schedule “A” to this Code.

3. CONFLICTS OF INTEREST

3.1 Employees must avoid any actual or perceived conflict of interest with AutoCanada.

3.2 A conflict of interest exists where an employee’s personal interests, or those of a Related Party, could influence the employee’s decisions and impair the employee’s ability to act in the best interests of AutoCanada, impartially and without bias.

3.3 A Related Party may include a family member, close friend, business associate, corporation or partnership in which an employee holds a significant interest, or a person to whom the employee owes an obligation.

3.4 A conflict of interest may occur where a reasonably well informed person perceives that the employee participates in decisions on behalf of AutoCanada that promote the employee’s personal interests or those of a Related Party.

3.5 Full disclosure enables employees to resolve unclear situations and gives an opportunity to dispose of conflicting interests before any difficulty arises.

3.6 Employees are required to immediately disclose a conflict of interest to their manager. If an employee has any concerns whether a conflict of interest exists, the employee must immediately disclose the potential conflict of interest to his or her manager.

4. COMPLIANCE WITH LAWS

4.1 It is the policy of AutoCanada to comply with all applicable laws, rules and regulations, including those duly enacted by the various self-regulatory bodies that oversee the motor vehicle industry.

4.2 Each employee must at all times comply fully with applicable laws, rules and regulations. Employees should avoid any situation which could be perceived as improper, unethical or which may indicate a casual attitude towards compliance with law. No employee has the authority to direct another employee or any other person to violate any law on behalf of AutoCanada.

4.3 Employees are expected to be sufficiently familiar with applicable laws, rules and regulations and to seek advice from management where appropriate.

5. CONFIDENTIALITY

5.1 Employees must not disclose to anyone outside AutoCanada any Confidential Information obtained from AutoCanada except when disclosure is authorized by the Board, is done in the ordinary course of business (i.e. to financial institutions, insurers, etc.) in accordance with established Corporation policies and procedures, or is otherwise legally required.

5.2 Confidential Information includes all non-public information that might be useful to competitors, or harmful to AutoCanada if disclosed.

5.3 Employees must not use Confidential Information obtained through their association with AutoCanada to further any non-Corporation interests.

5.4 The obligation to preserve and not use Confidential Information continues after a person is no longer an employee of AutoCanada.

6. OUTSIDE BUSINESS INTERESTS

6.1 Employees must disclose any Business Activity that may result in a conflict of interest with AutoCanada before accepting such a position or business activity, to his or her manager.

6.2 A Business Activity means ownership, participation in decision-making as a member of a Board of Directors, engagement as an employee, advisor or consultant to a business entity.

6.3 No employee may hold a Significant Financial Interest, either directly or through a Related Party, or hold or accept a position as an officer or employee of an organization in a relationship with AutoCanada, where by virtue of his or her position in AutoCanada, the

employee could in any way benefit the other organization by influencing the decisions of AutoCanada, unless that interest has been fully disclosed in writing to his or her manager.

6.4 A Significant Financial Interest in this context is any interest substantial enough that decisions of AutoCanada could result in a gain for the employee or Related Parties.

7. POLITICAL, NON-PROFIT AND PROFESSIONAL ACTIVITIES

7.1 Employees engaging in the political process must take care to separate their personal activities from their association with AutoCanada.

7.2 AutoCanada appreciates the contribution employees may make through involvement with charitable, community service and professional organizations. Employees may only use AutoCanada resources for such activities with the prior consent of his or her manager.

7.3 In the course of any non-corporate activity, employees must ensure that they are seen as speaking in their individual capacity and not as a Auto-Canada employee or spokesperson.

8. PROFESSIONAL DEVELOPMENT

8.1 The Corporation encourages and supports the professional development of its employees. Staff members are expected to keep abreast of developments in the automotive industry, and where staff are members of a profession, they are expected to perform their duties in accordance with the recognized standards of their profession.

9. ENTERTAINMENT, GIFTS AND FAVOURS

9.1 Employees must not offer or accept gifts, excessive entertainment, favours or other benefits which secure or appear to secure preferential treatment for themselves, AutoCanada or others.

9.2 Gifts, entertainment and benefits may only be accepted or offered by an employee in the normal exchanges common to established business relationships. As a guide, the gift, entertainment, favours or benefit:

- (i) should be accepted by the business community to be within the bounds of propriety;
- (ii) should not create or be expected to create any obligation;
- (iii) should occur infrequently; and
- (iv) should be justifiable on a Corporation expense statement if the employee offers rather than receives it.

10. PROPER USE OF CORPORATION ASSETS

10.1 Corporation assets, such as information, materials, supplies, time, hardware and facilities, among other property, are valuable resources owned, licensed or otherwise belonging to AutoCanada. Corporation assets also include proprietary information such as intellectual property, including trademarks, trade secrets and copyrights, as well as business, marketing and

service plans, designs, databases, records, salary information and any unpublished financial data and reports.

10.2 Corporation assets should be used only for legitimate Corporation business purposes. Employees should not make use of Corporation assets for non-Corporation benefit or purposes.

11. INTELLECTUAL PROPERTY

11.1 All Intellectual Property developed by employees within the scope of their employment is the property of AutoCanada, whether the intellectual property was developed while actually at work or not.

11.2 Intellectual Property includes computer programs, technical processes, reports or articles or any other form of innovation or development.

12. RESPONSIBILITY

12.1 Each employee must adhere to this Code of Conduct.

12.2 Any employee who knows of or suspects a breach of this Code of Conduct must report it to the Chief Executive Officer or the President of AutoCanada LP who will be responsible for ensuring that the privacy of an employee who reports a breach or potential breach of this Code of Conduct is respected as far as is possible in the circumstances and that such employee does not suffer adverse consequences as a result of making the report.

12.3 Any employee who fails to adhere to this Code of Conduct may be subject to disciplinary action including, in appropriate cases, termination of employment.

13. APPLICATION OF THIS CODE

13.1 This Code applies to all employees of AutoCanada. Any waivers of this Code may be made only by the Board of Directors of AutoCanada GP Inc., the general partner of AutoCanada LP

13.2 An employee may seek clarification of this policy from his or her manager or the Human Resources department.



Schedule "A"

AUTOCANADA INCOME FUND AND ITS SUBSIDIARIES ("AUTOCANADA")

EMPLOYEE (TRUSTEE, DIRECTOR, OFFICER AND EMPLOYEE) PLEDGE

As representatives of AutoCanada Income Fund, AutoCanada LP. and its related dealerships, we subscribe to the following principles and standards, and pledge to:

COMPLIANCE

- Comply with all applicable laws, rules and regulations, including those duly enacted by the various self-regulatory bodies that oversee the motor vehicle industry.

INTEGRITY

- Treat each customer with a high standard of honesty, fairness and courtesy
- Treat each employee with a high standard of dignity and respect.
- Not take advantage of anyone we do business with through manipulation, concealment, undue pressure, or any other unfair dealing practice

ACCOUNTABILITY

- Stand behind our products, services and warranties
- Resolve customer concerns fairly and quickly

SALES

- Be well-informed about the performance, pricing, features and quality of the products we sell
- Not make statements that are deceptive or misleading, or fail to state material facts when interacting with customers
- Document properly, represent accurately and disclose fully the consumer cost of our products and services

SERVICE

- Perform high quality repair services to the best of our abilities at a fair and competitive price
- Not make promises that we cannot keep
- Obtain prior authorization for all work done and not recommend or perform unnecessary work
- Furnish an itemized invoice for parts and services
- Exercise reasonable care for the customer's property while in the dealership's possession

ADVERTISING

- Advertise our products and services in an accurate, informative

	and non-deceptive way
	<ul style="list-style-type: none">• Not misrepresent the truth when describing our products or comparing our products to those offered by our competition
COMPETITION	<ul style="list-style-type: none">• Seek competitive advantage through superior performance, never through unethical or illegal business practices• Not portray a competitor in the public or to a customer in an inaccurate, misleading or unfair manner
PROFESSIONALISM	<ul style="list-style-type: none">• Represent the dealership and the automobile industry in an professional manner• Uphold the integrity of the brands we represent

Acknowledgement

I have received and read the AutoCanada Income Fund and AutoCanada LP. & Related Dealerships Code of Conduct, including the Employee Pledge, and I understand its contents. I agree to comply fully with the standards contained in this Code of Conduct and Employee Pledge and related dealership policies and procedures.

Printed Name

Signature

Employee Location

Date