



**Canadian Energy**  
SERVICES L.P.

## **DISCLOSURE AND MEDIA POLICY**

As of March 2, 2006

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### **DISCLOSURE POLICY**

#### **1. Statement**

Canadian Energy Services L.P. and Canadian Energy Services Inc. (collectively, "**Canadian Energy Services**" or the "**Partnership**") are committed to providing timely, accurate, orderly, consistent and broadly disseminated information, consistent with securities laws governing corporate disclosure, confidentiality and employee trading, to enable orderly behaviour in the market. It is imperative that this continues to be accomplished evenly during both good times and bad and that all parties in the investment community have fair access to the same information.

The goal is to develop and maintain realistic investor expectations by making all required disclosures on a broadly disseminated basis and without being unduly optimistic with respect to prospects for future Partnership performance.

#### **2. Scope**

This Disclosure and Media Policy applies to all employees, directors, officers, insiders, control persons, consultants and contractors. It covers disclosure documents filed with the securities regulators and written statements made in the Partnership's annual and quarterly reports, press releases, letters to unitholders, presentations by management, and information contained on the Partnership's website and other electronic communications. This Disclosure and Media Policy applies to oral statements made in group and individual meetings and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers) or with employees, interviews with the media as well as speeches, news conferences and conference calls and dealings with the public generally.

#### **3. Review of Information and Public Disclosure**

- (a) Prior to disclosure, at least one of the Authorized Spokespersons (as described below) shall review the text of public oral statements and documents that contain material information or that will be filed with the securities regulators or with the

government or an agency of the government under applicable securities, corporate or partnership law or with any stock exchange or quotation and trade reporting system under its bylaws, rules or regulations ("**Stock Exchange Requirements**") in order to ensure that the statement or document, as the case may be, does not contain a "**misrepresentation**" ("**misrepresentation**" has the meaning given under applicable Canadian securities laws). Such review shall be in addition to, and not in lieu of, the review of such statements or documents by other directors, officers or employees of the Partnership otherwise responsible for the matters discussed in such statements or documents and/or the review of such statements or documents.

- (b) Management must react quickly to material developments and will systematically review the Partnership's written and oral prior disclosures, securities commission filings and other public information to determine whether any updating or correcting is appropriate.
- (c) If any person to which this Disclosure and Media Policy applies becomes aware that (a) any information publicly disclosed by the Partnership contained or may have contained a misrepresentation, or (b) there has been or may have been a failure to make timely disclosure of material information, at least one Authorized Spokesperson (as described below) should be promptly notified and the Authorized Spokesperson, after conducting a reasonable investigation of the information, shall endeavour to ensure that the material information, or correction thereof, as the case may be, is promptly disclosed in accordance with applicable laws and Stock Exchange Requirements.

#### **4. Authorized Spokespersons**

- (a) The President and Chief Executive Officer, and the Chief Financial Officer of Canadian Energy Services Inc. are designated as the primary spokespersons for the Partnership. Others within the Partnership or its operating units may, from time to time, be designated by the spokespersons to respond to, or assist in responding to, specific inquiries as necessary or appropriate. It is essential that the spokespersons continue to be fully apprised of all the Partnership developments in order that they be in a position to evaluate and discuss those events that may impact whether disclosure is necessary or appropriate, and, if so, the timing for public release of information, including, without limitation, the status of any merger activities, material operational developments, extraordinary transactions or major management changes. The Partnership's spokespersons shall continue to be integrally involved in scheduling and developing presentations for all meetings and other communications with analysts, institutional investors and unitholders, arranging appropriate interviews with the Partnership's management and responding to all inquiries from the public for additional information. After public dissemination, all of the Partnership's disclosure will be monitored by the spokespersons to ensure accurate reporting and to take corrective measures, if and when necessary.
- (b) Employees who are not authorized spokespersons shall continue to be instructed to refer all calls from the financial community, unitholders, and media to the persons authorized to speak on behalf of the Partnership.

- (c) In accordance with applicable securities, corporate and partnership laws, annual and interim financial statements shall be reviewed by the Audit Committee and approved by the Board of Directors. The Audit Committee shall also review the press releases relating to all annual and interim financial statements and any earnings guidance provided by the Partnership. The Partnership's Audit Committee Charter sets forth in detail these responsibilities of the Audit Committee.

## **5. Research Reports and Investor Presentations**

With regard to responding to financial models or drafts of analysts' research reports, it will be the Partnership's policy to review for factual content only (not soft information) and to give guidance when assumptions have been made on the basis of incorrect data that render unrealistic conclusions. This review process will be conducted orally with the analyst and the draft report or model will not be retained or further distributed if provided to the Partnership. The Partnership will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's report, model or earnings estimates. To avoid any appearance of endorsement, the Partnership will comment only on draft research reports and will not comment on final analysts' reports. It is imperative that the control of this process continue to be centralized through the Partnership's spokespersons.

## **6. Rumours**

So long as it is clear that the Partnership is not the source of any market rumor, it shall be the Disclosure and Media Policy of the Partnership to respond consistently to market rumors in the following manner, "It is our policy not to comment on market rumors or speculation." Should the TSX request the Partnership to make a more definitive statement, the determination to do so will be made by the President and Chief Executive Officer and/or Chief Financial Officer of Canadian Energy Services Inc.

## **7. Earnings Estimates**

- (a) It shall be a policy that when analysts inquire with respect to their earnings estimates for the Partnership (1) to acknowledge what the range of "street" estimates are and (2) to question an analyst's assumptions if their estimate is out of the range of current "street" estimates or point out an error or errors in historical fact that the analyst used in making such an estimate.
- (b) Should the Partnership determine during any fiscal quarter that earnings will likely be out of the range of the current estimates (particularly if earnings will likely be below the range), the Partnership may consider issuing a broadly disseminated press release, followed by individual or group calls to analysts and significant investors, explaining this and possibly the reason or reasons why. This would be done to avoid "earnings surprises" to the extent possible.
- (c) It shall also be the Disclosure and Media Policy of the Partnership to observe a "quiet period" two weeks prior to normal quarterly earnings announcements, during which time there will be no comment on analysts' earnings estimates.

## 8. Forward-Looking Information

- (a) Subject to authorization from the Board of Directors of Canadian Energy Services Inc., the Partnership may provide forward-looking information to enable the public and the investment community to better evaluate the Partnership and its prospects. The Partnership may, subject to the authorization referred to above, make statements and respond to inquiries with respect to: (examples) revenue projections, income or income loss projections, pricing and profit margin trends, significant new developments, projected demand or market potential for products or services.
- (b) The Partnership will ensure that all forward looking and prospective information or statements are identified as forward-looking. Moreover, all information or statements will be accompanied by meaningful advisory and cautionary language or statements identifying important factors that could cause actual results to differ materially from any conclusion, forecast or projection in the forward-looking information, as well as a statement of the material factors or assumptions that were applied in drawing the conclusions or making a forecast or projection set out in the forward-looking information.
- (c) The Partnership will include, together with all forward-looking statements and information, a statement that disclaims the Partnership's intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise, subject to applicable securities laws.

## 9. Material Information

- (a) The Board of Directors of Canadian Energy Services Inc. will continue to be kept aware of all material developments and significant information disseminated to the public. Moreover, Board members and other insiders shall be kept apprised of all material developments which the Partnership is not ready to announce publicly in order to avoid premature or selective disclosure or inadvertent insider trading. It shall be the responsibility of the President and Chief Executive Officer and Chief Financial Officer of Canadian Energy Services Inc. to inform the Board of Directors of Canadian Energy Services Inc. as described above.
- (b) **A company must disclose material information to the public immediately.** The disclosure rules under applicable securities laws state that "material" information is information about an issuer that has a significant effect, or would reasonably be expected to have a significant effect, on the market price of the issuer's securities. Information is also "material" if a reasonable investor would consider the information important to a decision to buy, hold or sell the Partnership's Class A Common limited partnership units or other securities of the Partnership. Either positive or negative information may be "material". When assessing the materiality of information, the proximity, probability and significance of the information in the context of the total information generally available about the Partnership will be considered. As a general rule, there is no requirement to interpret and disclose the impact of external political, economic or social developments on the affairs of the Partnership.

## **10. Procedure for Communication to Public**

- (a) The Partnership intends to develop and maintain a routine procedure for all corporate communications. The procedure consists of drafting a press release (inclusive of applicable cautionary language as described in paragraph 8 hereof), circulating it for review to the Board of Directors, and other officers as appropriate, alerting the appropriate stock exchange and disseminating the release through a national wire service and other distribution channels so as to effect broad, non-exclusionary distribution of information to the public, subject in each case to applicable securities laws.

## **11. Material Changes**

- (a) The Board of Directors must also determine whether material information constitutes a "material change", pursuant to applicable securities legislation, and if so, a "material change" report must be filed with relevant applicable securities commissions within 10 days of the "material change". Press releases issued in respect of "material changes" shall contain sufficient detail to enable the media and investors to understand the substance and importance of such change while avoiding exaggerated reports or promotional commentary. The Audit Committee of the Board of Directors shall review all press releases containing: (i) financial information based on or taken from the Partnership's financial statements; or (ii) any earnings guidance (or updates to any previously issued earnings guidance), prior to the issuance of such releases. Such press releases will also be posted on the Partnership's web site as soon as practical after release over the news wire. Disclosure on the Partnership's web site alone does not constitute adequate disclosure of undisclosed material information.

## **12. Electronic Communications**

- (a) This Disclosure and Media Policy also applies to electronic communications. The Partnership's spokespersons are responsible for updating the investor information and newsroom or similar sections of the Partnership's web site and are responsible for monitoring all information placed on the Partnership's web site to ensure that it is accurate and complete.
- (b) Investor relations material shall be contained within a separate section of the Partnership's web site and shall include a notice that advises the reader that the information posted was believed to be accurate at the time of posting, but that the Partnership will not, and specifically disclaims any duty to, update the information, subject to applicable securities laws. All information posted to the web site, including text and audiovisual material, shall show the date such information was issued or posted. The minimum retention period for material corporate information on the web site shall be five months after the date of its posting. Links from the Partnership's web site to a third party web site must be approved by the Partnership's spokespersons. Any such links should include a notice that advises the reader that they are leaving the Partnership's web site and that the Partnership is not responsible for the contents of the other site.

### **13. Restrictions on Disclosure by Personnel**

No director, insider, officer, senior manager, employee and any other representative of the Partnership shall disclose or discuss any non-public information about the Partnership to or with any person outside the Partnership, except if: (i) disclosure is required in the necessary course of Partnership business provided that the person receiving such information first enters into a confidentiality agreement in favour of the Partnership and the disclosure is made pursuant to the proper performance by such director, officer or employee of his or her duties on behalf of the Partnership; (ii) such information is determined by the spokespersons or the Board of Directors to not be material information; (iii) disclosure is compelled by judicial process; or (iv) disclosure is expressly authorized by the spokespersons or by the Board of Directors, as the case may be. During the period before material information is disclosed, the Board of Directors should monitor the market activity in the Partnership's Class A Common limited partnership units. If there is any question as to whether information is "material" information or has previously been disclosed in accordance with this Disclosure and Media Policy, contact the President and Chief Executive Officer or Chief Financial Officer of Canadian Energy Services Inc.

### **14. Protection of Confidential Information**

All directors, officers, employees, consultants and service providers of the Partnership should take appropriate steps to safeguard the confidentiality of information. The following procedures, which are not exhaustive, should be observed at all times:

- Storage of documents and files containing confidential information in a safe place to which access is restricted to individuals who need to know that information in the necessary course of business.
- Avoiding discussions of confidential matters in places in which the discussion may be overheard, such as elevators, hallways, restaurants, airplanes or taxis.
- Avoiding discussions of confidential matters on wireless telephones or other wireless devices. If confidential matters must, of necessity or urgency, be discussed on wireless telephones or other wireless devices, caution should be exercised by the participants, and, in such cases, the Partnership name and the identity of any relevant party should be cryptic or in code.
- Accompanying visitors and ensuring that they are not left alone in offices containing confidential information.
- Transmission of documents by electronic means, such as fax or directly from one computer to another only where it is reasonable to believe that the transmission can be received under secure conditions by the intended recipient.
- Restricting access to confidential electronic data through the use of passwords.
- Confidential documents should not be read or displayed in public places and should not be discarded where others can retrieve them.

- Maintain confidentiality of information outside of the office as well as inside the office.

To prevent inadvertent disclosure of undisclosed material information, employees are strictly prohibited from posting information to or otherwise participating in Internet chat rooms or similar discussion forums on matters pertaining to the Partnership's business and affairs or its listed securities.

## **15. Conference Calls**

Conference calls may be held for quarterly and annual financial results following their release, and may be held for material developments, if authorized by the Board of Directors of Canadian Energy Services Inc. During these calls, the Authorized Spokespersons, or other appropriate personnel as designated by the Board of Directors, will discuss key aspects of the results or developments, as the case may be, and this discussion will be accessible simultaneously to all interested parties, some as participants by telephone and others in a listen-only mode by telephone or via a webcast over the Internet. Where practicable, an Authorized Spokesperson will meet to discuss appropriate answers to anticipated questions in advance of any such conference call.

At the beginning of the conference call, an Authorized Spokesperson will notify all participants to the call that there may be discussion of forward-looking information on the call. The Authorized Spokesperson or other designated person will then provide appropriate cautionary language with respect to any such forward-looking information and direct participants to the Partnership's publicly filed disclosure documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties that could affect such forward-looking statements.

The Partnership will provide advance notice of the conference call and webcast by issuing a press release announcing the date and time and providing information allowing interested parties to access the call and webcast. In addition, the Partnership may invite members of the investment community, the media and others to participate. Such notice will also be posted on the Partnership's web site.

An Authorized Spokesperson will hold a debriefing meeting immediately after the conference call and if such debriefing uncovers selective disclosure of previously undisclosed material information, the Partnership will immediately disclose such information broadly via press release. If such debriefing uncovers any misstatement or omission, the Authorized Spokesperson will consider and authorize release of an appropriate statement or other disclosure correcting such misstatement or omission.

Any supplemental information provided to participants will also be posted to the Partnership's web site for others to view.

Any supplemental information posted to the Partnership's web site will include a notice that advises the reader/listener that the information therein is for historical purposes only and that while information contained within the release was believed to be accurate at the time of issue, the Partnership will not, and specifically disclaims any duty to, update this information.

## **16. Insider Trading**

Insiders and Employees with access to material information are prohibited from trading until the information has been fully disclosed and a reasonable period of time has passed for the information to be disseminated. In the event that insiders or employees are uncertain as to trading restrictions, they should discuss their intentions with the President and Chief Executive Officer or Chief Financial Officer of Canadian Energy Services Inc. prior to trading and refer to the Insider Trading Policy of the Partnership.

## **17. Education and Enforcement**

- (a) This Disclosure and Media Policy will be circulated to all directors, officers and senior managers/employees of the Partnership. All employees will be advised of the existence of the Disclosure and Media Policy, its importance and the Partnership's expectation that employees will comply with this Disclosure and Media Policy.
- (b) Upon implementation by the Board of Directors, and on a periodic basis thereafter, all directors, officers and senior managers/employees may be requested to certify their compliance with this Disclosure and Media Policy pursuant to the certificate attached as Schedule A hereto. New directors, officers and senior managers who join the Partnership after the date of implementation shall be provided with a copy of this Disclosure and Media Policy, will be educated about its importance and may be requested to certify their compliance/shall confirm their agreement to comply with this Disclosure and Media Policy.
- (c) Any officer or employee who violates this Disclosure and Media Policy may face disciplinary action up to and including termination of his or her employment with the Partnership without notice. The violation of this Disclosure and Media Policy may also violate certain applicable securities laws. If it appears that an officer or employee may have violated such securities laws, the Partnership may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

## **18. Review of Policy**

This Disclosure and Media Policy will be reviewed annually by the Corporate Governance and Compensation Committee or as the need arises.

## **MEDIA POLICY**

### **1. Statement**

The Partnership wishes to ensure that the media are provided with factual, accurate, and positive information at all times. To this end the following identifies the level of activity to which the representatives of the Partnership will act as spokesperson(s).

### **2. Scope**

All employees, directors, officers, insiders, control persons, consultants and contractors.

### **3. Application**

- (a) **CHAIRMAN** (In the absence of a Chairman, the President and Chief Executive Officer is authorized)

After consultation with the President and Chief Executive Officer, make major announcements regarding the Partnership's major activities and policies that have been adopted by the Board of Directors and respond to questions about policies and activities.

- (b) **PRESIDENT AND CHIEF EXECUTIVE OFFICER**

Make statements and/or authorize statements on operations (as distinct from policy) matters. Respond to questions regarding policies or major activities, as previously announced by the Chairman.

All media contact will be co-coordinated through the President and Chief Executive Officer. It is accepted that there will be no contact between Partnership representatives and the media without the consultation and approval of the President and Chief Executive Officer.

**Certification – Disclosure and Media Policy**

The undersigned hereby certifies that he/she has read and understands the Partnership's Disclosure and Media Policy, a copy of which is attached hereto, and agrees to comply with the procedures and restrictions set forth therein. The undersigned acknowledges that the Disclosure and Media Policy may be amended from time to time, and the undersigned agrees to review and abide by the Disclosure and Media Policy, as amended, upon receipt by the undersigned of the amended Disclosure and Media Policy.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)