

## **WHISTLEBLOWER POLICY**

### **I. INTRODUCTION**

Consistent with its principle of providing a workplace conducive to open discussions of business practices, Cervus Equipment Corporation (the “Corporation”) is fully committed to complying with all applicable laws that protect directors, officers and employees against unlawful discrimination or retaliation as a result of their disclosure or reporting of questionable or illegal acts by the Corporation or its agents. Accordingly, the audit committee of the Corporation’s Board of Directors (“the Audit Committee”) has established a set of procedures for the directors, officers and employees of the Corporation and its subsidiaries to submit (whether openly, confidentially, or anonymously) their good faith concerns about questionable accounting or auditing matters and violations of legal or regulatory requirements and for the Audit Committee to receive and respond to such concerns. This written policy describes such procedures. This written policy also describes the procedures for the Audit Committee to receive and act on any such concerns that are raised by the Corporation’s associates, stockholders, or other interested parties.

### **II. RESPONSIBILITIES OF AUDIT COMMITTEE**

- A. The Audit Committee shall receive, retain, investigate, and act on good faith complaints and concerns (collectively, the “Reports”) of the directors, officers and employees of the Corporation or its subsidiaries, the Corporation’s stockholders, and other interested parties regarding:
  - 1. Questionable accounting, internal accounting controls, and auditing matters (each an “Accounting Allegation”), including without limitation:
    - a. deficiencies in, or noncompliance with, the Corporation’s internal accounting controls or accounting policies;
    - b. the circumvention or attempted circumvention of internal accounting controls;
    - c. fraud or deliberate error in the preparation, evaluation, review, or audit of the Corporation’s financial statements or in the recording and maintaining of the Corporation’s financial records;
    - d. any misrepresentation or false statement by a senior officer or accountant regarding a matter contained in the Corporation’s financial statements, financial reports (including discussions in a quarterly or annual reports filed with the applicable securities regulatory authority or stock exchange), or audit reports, or any other failure to provide a full or fair reporting of the Corporation’s financial condition; or
    - e. any other matter that would otherwise constitute a violation of the Corporation’s accounting policies.
  - 2. Non-compliance with legal and regulatory requirements (each a “Legal Allegation”), including without limitation, the rules and regulations promulgated by the applicable securities regulatory authorities and stock exchange.

3. Retaliation against any director, officer or employee of the Corporation or its subsidiaries who, in good faith, makes a Report regarding an Accounting Allegation or a Legal Allegation (each a “Retaliatory Act”).
- B. In the discretion of the Audit Committee, responsibilities of the Audit Committee created by these procedures may be delegated to the chairperson of the Audit Committee or to a subcommittee of the Audit Committee.

### **III. PROCEDURES FOR PERSONS MAKING COMPLAINTS**

- A. In addition to any other avenue available, any director, officer or employee of the Corporation or its subsidiaries, and any associate, stockholder or other interested party of the Corporation, may report openly, confidentially, or anonymously any Accounting Allegation, Legal Allegation, or Retaliatory Act directly to the Audit Committee or to one of the designated members of management (“Designated Officials”). The Corporation’s Designated Officials are (1) President and Chief Executive Officer; and (2) the Chief Financial Officer (Note: if a Report is an allegation regarding the senior management of the Corporation, the associate should make the Report directly to the Audit Committee.) Reports may be made by any such associate openly, confidentially, or anonymously, and may be made in writing (including by e-mail), telephonically, or in person.
- B. In making a Report, individuals should exercise due care to ensure the accuracy of the information disclosed and should provide sufficient information to enable an investigation to be conducted.

### **IV. PROCEDURES FOR HANDLING REPORTS**

- A. Any Report that is made directly to a Designated Official (whether openly, confidentially, or anonymously) shall be promptly reported to the Audit Committee.
- B. Each Report forwarded to the Audit Committee by a Designated Official and each Report that is made directly to the Audit Committee (whether openly, confidentially, or anonymously) shall be reviewed by the Audit Committee. The Audit Committee may, in its discretion, consult with any member of management who is not the subject of the allegation and who may have appropriate expertise to assist the Audit Committee. The Audit Committee shall determine whether the Audit Committee or management should investigate the Report, taking into account the considerations set forth in Section V below.
- C. If the Audit Committee determines that management should investigate the Report, the Audit Committee shall notify the Corporation’s chief executive officer of that determination. Management shall thereafter promptly investigate the Report and shall report the results of its investigation to the Audit Committee. Unless the Audit Committee directs otherwise, management shall be free in its discretion to engage outside auditors, counsel, or other experts to assist in the investigation and in the analysis of the results thereof.
- D. If the Audit Committee determines that it should investigate the Report, the Audit Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Audit Committee shall be free in its discretion to

engage outside auditors, counsel, or other experts to assist in the investigation and in the analysis of the results thereof.

- E. If the Audit Committee so directs, a summary of Reports received and/or investigated shall be provided to the full Board of Directors.

## **V. CONSIDERATIONS RELATIVE TO WHETHER THE AUDIT COMMITTEE OR MANAGEMENT SHOULD INVESTIGATE A REPORT**

In determining whether management or the Audit Committee should investigate a Report, the Audit Committee shall consider, among any other factors that are appropriate under the circumstances, the following:

- A. *Who is the alleged wrongdoer?* If an executive officer, senior financial officer, or other high management official of the Corporation is alleged to have engaged in wrongdoing, that factor alone may militate in favor of the Audit Committee conducting the investigation.
- B. *How serious is the alleged wrongdoing?* The more serious the alleged wrongdoing, the more appropriate the Audit Committee should undertake the investigation. If the alleged wrongdoing would constitute a crime involving the integrity of the financial statements of the Corporation, that factor alone may militate in favor of the Audit Committee conducting the investigation.
- C. *How credible is the allegation of wrongdoing?* The more credible the allegation, the more appropriate that the Audit Committee should undertake the investigation. In assessing credibility, the Audit Committee should consider all facts surrounding the allegation, including, but not limited to, whether similar allegations have been made in the press or by analysts.

## **VI. PROTECTION OF WHISTLEBLOWERS**

- A. Consistent with the Corporation's policies, none of the Audit Committee or members of management shall discharge, demote, suspend, threaten, harass, or in any other manner discriminate or retaliate, or tolerate any discrimination or retaliation by any other person or group, directly or indirectly, against any director, officer or employee of the Corporation or its subsidiaries, or any associate, stockholder or other interested party of the Corporation who, in good faith, makes an Accounting Allegation or Legal Allegation, reports a Retaliatory Act, or otherwise assists the Audit Committee, management, or any other person or group (including any governmental, regulatory, or law enforcement body) in investigating a Report. Any such act of retaliation or discrimination shall be treated by the Corporation as a serious violation of company policy and could result in termination of employment with, or dismissal as a director or officer of, the Corporation or its subsidiaries, as applicable.
- B. The Audit Committee shall not:
  - 1. disclose the identity of any person who, in good faith, (a) makes an Accounting Allegation or Legal Allegation or reports a Retaliatory Act and (b) asks that his or her identity as the person who made such Report remain confidential, unless such disclosure is required by judicial or other legal processes; or

2. make any effort, or tolerate any effort made by any other person or group, to ascertain the identity of any person who, in good faith, makes a Report anonymously.
- C. If a person makes a Report in good faith and any facts alleged are not confirmed by subsequent investigation, no action will be taken against the reporting person.

## **VII. RETENTION OF RECORDS**

The Audit Committee shall retain, for a period of seven years, all records relating to (a) any Accounting Allegation or Legal Allegation or report of a Retaliatory Act and (b) the investigation of any such Report.

Effective as of October 22, 2009.