

**CINEPLEX GALAXY INCOME FUND**  
**and**  
**CINEPLEX ENTERTAINMENT CORPORATION**

***DISCLOSURE POLICY***

The following disclosure policy was adopted by the Board of Trustees of Cineplex Galaxy Income Fund (the “**Fund**”) and the Board of Directors of Cineplex Entertainment Corporation (“the “**Corporation**”), on its own behalf and on behalf of Cineplex Entertainment Limited Partnership (the “**LP**”) on March 12, 2010.

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As a public entity, it is important that material information with respect to the Fund, the Corporation and the LP and their respective subsidiaries (collectively, “**Cineplex**”), be disclosed to the public promptly and in a consistent manner. The purpose of this policy is to establish a procedure for determining how material information is to be disclosed or disseminated. The following guidelines shall govern the disclosure process for the Fund and the LP.

1. Disclosure of a material change (described below) in the affairs of the Fund or the LP, whether favourable or unfavourable, must be disclosed to the public promptly and completely through a press release. With respect to the Fund, the trustees of the Fund (the “**Trustees**”) or with respect to the Corporation, the directors (the “**Directors**”) or senior officers of the Corporation, in consultation with the Fund’s advisors, shall ultimately determine when a material change has or has not occurred. Any press release disclosing a material change shall be circulated at least contemporaneously to the Trustees and Directors if not previously reviewed by them. Announcements of material changes must be factual and balanced.
2. When The Toronto Stock Exchange (“**TSX**”) is open for trading, prior notice of a press release announcing material information must be provided to the Market Surveillance Division of the TSX which will determine if a halt in trading is necessary to provide time for the market to digest the news. If a press release announcing material information is issued outside of trading hours, Market Surveillance at the TSX should be notified before the market opens.
3. Disclosure of a material change must include any information the omission of which would make the rest of the disclosure misleading. Sufficient detail to enable the media and investors to understand the substance and importance of the change should be disclosed.
4. Selective disclosure is prohibited. Previously undisclosed material information should not be disclosed to selected individuals such as analysts or institutional investors holding units of the Fund or the LP. In the event of inadvertent selective disclosure, the TSX should be contacted requesting a trading halt pending a press release and the information disclosed must be disseminated to the general public immediately.
5. Disclosure must be updated if earlier disclosure becomes misleading as a result of intervening events.
6. If material information is to be announced at an analyst meeting, a meeting of Fund or LP unitholders or a press conference, its announcement must be coordinated with the general public announcement by way of a press release.
7. Only non-material information and publicly disclosed information may be disclosed at private analyst briefings or meetings.
8. The following disclosure model should be used when making a planned disclosure of material information, such as a scheduled earnings release:
  - i. issue a news release through a widely circulated news or wire service;
  - ii. provide advance public notice by news release of the date and time of a conference call to discuss information, the subject matter of the call and the means for accessing it;

- iii. hold a conference call in an open manner, permitting investors and others to listen either by telephone or through internet webcasting; and
  - iv. provide dial-in and/or web replay or make transcripts of the call available for a reasonable period of time after the analyst conference call.
9. Analyst's conference calls and industry conferences should be held in an open manner, allowing any interested party to listen either by telephone and/or through a webcast. Relevant officers should meet before an analyst's conference call, private analyst's meeting or industry conference and, where practicable, statements and responses to anticipated questions should be scripted in advance and reviewed by the Chief Executive Officer and/or Chief Financial Officer of the Corporation. If practicable, the advance script shall also be reviewed by the Chairman of the Board of Trustees and/or the Chairman of the Audit Committee of the Fund.
10. Detailed records and/or transcripts of any conference call meeting or conference must be maintained and reviewed to ensure no unintentional selective disclosure has been made.
11. The Audit Committees of each of the Corporation and the Fund and if determined by such committees, the Trustees or Directors (as applicable) must review news releases containing financial information based on the Fund's and LP's financial statements prior to the release of such statements.
12. Where feasible, an earnings news release should be issued concurrently with the filing of the corresponding quarterly or annual financial statements.
13. Any review of an analyst's report should be limited to reviewing factual information to point out inaccuracies with respect to, or omissions from, recently released public information or to identify recently disclosed factual information that may affect the analyst's model and should not confirm the analyst's estimate or that any estimate is too high or too low, whether directly or indirectly through implied guidance. Analysts' reports on the Fund should not be posted on the Fund's website or distributed by any trustee, director, officer or employee of Cineplex to people outside the trust other than trustees of the Fund, directors of the Corporation or Cineplex employees at or above the level of vice-president.
14. When providing forward looking information, it should clearly be indicated that, except as expressly required by applicable law, Cineplex undertakes no obligation to publicly update or revise any forward looking statement, either as a result of new information, future events or otherwise.
15. From the close of business on the last day of the month of the fiscal quarter, or year, as applicable, until 2 business days following Cineplex's widespread public release of quarterly or year-end operating results, no director, officer, or employee should discuss or comment to outsiders on the status of the most recent quarter or year's operations or their expected results or make any comments to outsiders as to whether the Fund or the LP will meet, exceed or fall short of any earnings estimates made.
16. If material information has been leaked and appears to be affecting trading activity in the Fund's securities, immediate steps should be taken to ensure that a full public announcement is made, including contacting the TSX and asking that trading be halted pending the issuance of a news release.

Until determined otherwise by the Trustees, the designated contact person for communication with analysts, the news media and investors shall be the Chief Executive Officer and/or Chief Financial Officer and/or the VP Communication and Investor Relations of the Corporation. All other employees who receive requests for undisclosed information should refer such requests to such officer and avoid answering any question about the Fund or the LP.

A "**material change**" in the affairs of the Fund or the LP means a change in the business, operations or capital of the Fund or the LP that could reasonably be expected to have a significant effect on the market price or value of the securities of the Fund. A "material change" includes a decision to make such a change by the board of Trustees of the Fund or a decision to make such a change by the board of Directors or by senior management of the Corporation who believe that such confirmation is probable. A "**material fact**" means a fact that significantly affects, or would

reasonably be expected to have a significant effect on, the market price or value of the Fund's securities. Material facts and material changes are collectively referred to in this policy as "**material information**". While it is not possible to identify all information that would reasonably be considered to be "material", the following types of information ordinarily would be considered material:

- Financial performance of the Fund and the LP and their operating subsidiaries;
- Changes in corporate structure, such as reorganizations, etc. among or involving the Fund, the LP and its operating subsidiaries;
- Significant acquisitions and dispositions by the Fund, the LP and its operating subsidiaries;
- Material developments relating to management agreements;
- Significant changes in management;
- Major labour disputes or disputes with major customers or suppliers;
- Changes in unit ownership that may affect control;
- Public issuance of securities;
- Availability of financing for operating or capital requirements; or
- Actual or threatened major litigation involving the Fund, the LP and its operating subsidiaries, or the resolution of such litigation.

Information generally is "non-public" if it has not been widely disseminated through a major newswire service, national news service or financial service.

Cineplex shall have a disclosure committee (the "**Disclosure Committee**") comprised of senior executives of the Corporation. The Disclosure Committee shall assist the Chief Executive Officer and Chief Financial Officer (collectively, the "**Senior Officers**") in oversight of the accuracy and timeliness of material disclosures made by Cineplex. The membership of the Disclosure Committee shall consist of:

- the President and Chief Executive Officer;
- the Chief Financial Officer;
- the Executive Vice President;
- the SVP General Counsel;
- the VP Finance;
- the VP Communications and Investor Relations; and
- the VP Risk Management.

Disclosure Committee members may be replaced, or new members added, at any time and from time to time by the Senior Officers. Notwithstanding the foregoing, the Senior Officers at their option may at any time assume any or all of the responsibilities of the Disclosure Committee identified in this Policy, including, for example, approving disclosure statements when time does not permit the full Disclosure Committee to meet. The Disclosure Committee may designate two or more officers, at least one of whom shall be an attorney knowledgeable about Canadian Securities Administrators (CSA) rules and regulations with respect to disclosure and at least one of whom shall be knowledgeable about financial reporting, who can, acting together, approve disclosure statements (other than periodic reports) when time does not permit the Disclosure Committee to meet.

The CFO shall be the chair of the Disclosure Committee. The chair shall be responsible for scheduling and presiding over meetings and preparing agendas. Any question of interpretation of this Policy or the Disclosure Committee's procedures shall be determined by the chair, or any Senior Officer in his absence from a meeting.

The Disclosure Committee shall assist the Senior Officers in fulfilling their responsibility for oversight of the accuracy and timeliness of the disclosures made by Cineplex by being responsible for the following tasks, in each case subject to the supervision and oversight of the Senior Officers:

- Design and establish controls and other procedures that are designed to ensure that: (1) information required by Cineplex to be disclosed in accordance with applicable security laws and other written information that Cineplex will disclose to the investment community is recorded, processed, summarized

and reported accurately and on a timely basis; and (2) information is accumulated and communicated to management, including the Senior Officers, as appropriate to allow timely decisions regarding such required disclosure;

- Monitor the integrity and effectiveness the disclosure controls of Cineplex;
- Review and supervise the preparation of Cineplex: (1) periodic and current reports, information statements, and any other information filed on SEDAR; (2) press releases containing financial information, information about material acquisitions or dispositions or other information material to Cineplex's security holders; and (3) correspondence containing financial information broadly disseminated to security holders (collectively, the "**Disclosure Statements**");
- Review and approve disclosure policies for financial information displayed on Cineplex's corporate/investor relations web site;
- Evaluate the effectiveness of Cineplex's disclosure controls prior to the filing of Cineplex's Annual Report and each Quarterly Report;
- Discuss with the Senior Officers all relevant information with respect to the proceedings of the Disclosure Committee, the preparation of the Disclosure Statements and the Disclosure Committee's evaluation of the effectiveness of Cineplex' disclosure controls; and
- Provide a certification to the Senior Officers prior to the filing of each periodic report as to the Disclosure Committee's: (1) compliance with its policies and procedures and proper performance of the responsibilities that have been assigned to it; and (2) conclusions resulting from its evaluation of the effectiveness of the disclosure controls.

On an annual basis, the Disclosure Committee shall meet with the Senior Officers and submit for their approval a set of disclosure controls, including policies and procedures to test the effectiveness of the disclosure controls. The Disclosure Committee shall meet as frequently as circumstances dictate to: (1) ensure the accuracy and completeness of the disclosure statements; and (2) evaluate the disclosure controls and determine whether any changes to the disclosure controls are necessary or advisable in connection with the preparation of Cineplex's upcoming periodic reports or other Disclosure Statements, taking into account developments since the most recent meeting, including changes in the organization and business lines and any change in legal, economic or industry conditions.

This disclosure policy should be reviewed annually and updated, as necessary, by the Chief Executive Officer and Chief Financial Officer of the Corporation who also are responsible for:

- developing and implementing the disclosure policy;
- monitoring the effectiveness of and compliance with the disclosure policy; and
- ensuring that Cineplex and its trustees, directors, officers and certain employees are educated with respect to disclosure issues and this disclosure policy.

This disclosure policy should be reviewed annually and updated, as necessary, by the Board of Trustees of the Fund.

This policy may not cover all circumstances and exceptions as may be justified from time to time. Any questions and all requests for exceptions from this policy should be made to the chair, or in his absence, the Chief Executive Officer or the SVP General Counsel who will determine whether or not it is appropriate to vary this policy in such circumstances.

**Approved March 12, 2010**