

Code of Business Conduct

TO ALL EMPLOYEES OF RICHARDS PACKAGING INC.

IN VARYING DEGREES, EACH EMPLOYEE REPRESENTS RICHARDS PACKAGING INC. IN HIS OR HER DEALINGS WITH OTHERS, WHETHER OTHER EMPLOYEES, CUSTOMERS, SUPPLIERS, COMPETITORS, GOVERNMENTS OR THE GENERAL PUBLIC. RICHARDS PACKAGING INC. EXPECTS EACH EMPLOYEE TO CONDUCT HIS OR HER DEALINGS IN ACCORDANCE WITH THIS POLICY.

SO THAT THERE CAN BE NO DOUBT AS TO WHAT IS EXPECTED OF EACH EMPLOYEE IN THIS REGARD, THE BOARD OF TRUSTEES OF RICHARDS PACKAGING INCOME FUND HAS ENDORSED A CODE OF BUSINESS CONDUCT WHICH IS TO BE FOLLOWED BY EACH EMPLOYEE.

EXPLANATION OF CODE

The Code of Business Conduct (the “Code”) prescribes the minimum moral and ethical standards of conduct required of all employees of Richards Packaging Inc. (“Richards Packaging” or the “Company”). Failure to comply with the Code can have severe consequences. Violations of the Code will result in appropriate discipline, which may include discharge.

A brief explanation of each of the rules constituting the Code is set forth below. Any employee who has questions regarding the application of any rule should seek guidance from his or her supervisor.

COMPLIANCE WITH THE LAW

Many of the Company’s activities are subject to complex and changing laws. Ignorance of the law is not, in general, a defense to an action for contravention of a law. We expect employees to make every reasonable effort to become familiar with laws and regulations affecting their activities and to exert due diligence in complying with these laws. Our objective is to restrict willful or negligent violations of these laws and regulations.

For example, there are laws for the protection of the environment. Employees whose activities may affect the environment must be aware of the applicable governmental requirements and report any violations thereof to their superiors, or to a senior officer of the Company. Similarly, no employee may make any agreement or enter into any arrangement contrary to competition laws. Such agreements do not have to be in writing to contravene competition laws.

The Company will make information concerning applicable laws available to its employees. If any employee has any doubts as to the applicability of any law, he or she

should refer the matter to his or her supervisor who may obtain advice from the Company's counsel.

GIFTS AND ENTERTAINMENT

Employees whose duties permit them to do so, such as employees in sales, may offer modest gifts, entertainment or other benefits to persons who have a business relationship with the Company. The benefits must be given in accordance with generally accepted ethical business practices. For example, it is acceptable to take a customer to dinner but it is not acceptable to give a customer cash.

The use of the Company's funds, goods or services as contributions to political parties, candidates or campaigns is forbidden, unless authorized by the CEO. Contributions include money or anything having value, such as loans, services, excessive entertainment, trips and the use of the Company's assets. Further, no employee is to be reimbursed for any contributions which he or she might make. The Company encourages political activity and political involvement by its employees acting on their own behalf but not as representatives of the Company.

Employees may accept modest gifts, entertainment or other benefits from persons doing or seeking to do business with Richards Packaging provided the benefits are given in accordance with generally accepted business practices.

For example, a pair of tickets to a baseball game may be accepted from a supplier, but it is unacceptable to take a vacation trip from a supplier.

If there are any questions surrounding the appropriateness of gifts, please contact your supervisor.

CONFLICTS OF INTEREST

A conflict of interest arises where an employee's judgment in acting on behalf of Richards Packaging is or may be influenced by an actual or potential personal benefit from an investment or business. These benefits may be financial or non-financial, direct or indirect, through family connections or personal associations, or otherwise. Employees have a conflict of interest if they are involved in any activity that prevents them from performing their duties properly, or that may create a situation that would affect their judgment or ability to act in the best interests of Richards Packaging. For example, no employee should have a significant interest in a business that supplies goods to, or buy goods from, Richards Packaging. All situations that constitute a conflict of interest are to be disclosed to the CFO.

CONFIDENTIAL INFORMATION

All employees must keep confidential, and not use for themselves or others, all information concerning Richards Packaging or its business that has not been disclosed to

the public, unless such disclosure is authorized by a senior officer of the Company. Information is considered to be disclosed to the public if it is in Richards Packaging Income Fund's (the 'Fund') annual report, annual information form, management proxy circular, press releases and other communications made by management to the public. For example, no employee who has material confidential information concerning Richards Packaging may buy or sell securities of Richards Packaging until such information has been disclosed to the public.

This non-disclosure obligation applies both during employment with Richards Packaging, and after termination of employment or retirement.

ACCURACY OF BOOKS AND RECORDS

The books and records of Richards Packaging must reflect all its transactions in a timely and accurate manner in order to, among other things, permit the preparation of accurate financial statements. All assets and liabilities of Richards Packaging must be recorded.

WHISTLE BLOWING

Every employee has a duty to adhere to this Code and all of the Company's policies and to report to the Company any suspected violations.

An employee who becomes aware of a violation or possible violation of this Code or any of the Company's policies must report that information immediately to his or her superior or a senior officer of the Company. An employee may report questionable accounting or auditing matters, on an anonymous basis by addressing a written submission to the Chair of the Audit Committee, Wayne McLeod, 2 Sagewood Drive, Toronto, Ontario, Canada M3B 1T4.

The Company will not permit any form of retaliation 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 unitholders;
- 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 unitholders; or
- provided a law enforcement officer with truthful information regarding the commission or possible commission of a federal offense,

unless the individual reporting is one of the violators.

DISCRIMINATION AND HARASSMENT FREE ENVIRONMENT

Each employee must comply with the Company's policy of providing an environment free of discrimination and harassment based on race, sex, sexual orientation, colour, national or ethnic origin, religion, marital status, family status, age or disability. Harassment may occur in a variety of ways and may, in some circumstances, be unintentional. Regardless of intent, such conduct is not acceptable and may also constitute a violation of human rights legislation.

COMPLIANCE WITH CODE

Each employee of Richards Packaging will be provided with a copy of this Code and will be required to sign an acknowledgement in the form attached hereto, which will be retained by human resources (Tess Pugh in Canada and Eveline McCarty in US). At commencement of employment, new employees will also be required to sign an acknowledgement of the Code of Business Conduct. Employees may be required to periodically sign a revised Code of Business Conduct acknowledgement form should there be significant revisions to the Code. In addition, all employees must disclose in writing to human resources of all activities, investments or businesses that might create, or reasonably be regarded as creating, an actual or potential conflict of interest with their duties for the Company. Human resources in conjunction with senior management must ensure that actions are taken so that there will be no conflicts of interest.

USE OF E-MAIL AND INTERNET SERVICES

E-Mail systems and Internet services are provided to help us better serve our customers. Incidental and occasional personal use is permitted, but never for personal gain or any improper purpose. You may not access, send or download any information that could be insulting or offensive to another person, such as sexually explicit material or jokes, unwelcome propositions, ethnic or racial slurs, or any other message that could be viewed as harassment. Also remember that "flooding" our systems with junk mail and trivia hampers the ability of our systems to handle legitimate business and is prohibited.

Employees should not download copyrighted materials, should not copy material that is not licensed to the Company and should follow the terms of a license when using material that is licensed to Richards Packaging. No changes should be made to licensed materials without the prior consent of the Company. In addition, employees are discouraged from downloading games and screensavers as these are common sources of viruses.

Your messages (including voice mail) and computer information are considered the Company's property and you should not have any expectation of privacy. Unless prohibited by law, Richards Packaging reserves the right to access and disclose this information as necessary for business purposes. Use good judgment, and do not access,

send messages or store any information that you would not want to be seen or heard by other individuals.

Acknowledgement

I acknowledge that I have received a copy of the Code of Business Conduct and that I have read it and understand its contents. I also understand that I have an obligation to report any violation of these rules in the manner set forth in the Code of Business Conduct.

SIGNATURE OF EMPLOYEE

NAME OF EMPLOYEE

LOCATION

DATE

This document was created with Win2PDF available at <http://www.win2pdf.com>.
The unregistered version of Win2PDF is for evaluation or non-commercial use only.