

Insider Trading Policy

Statement

Any person or company in a special relationship with Killam Apartment REIT who possesses material non-public information ("MNPI") concerning Killam must not inform another person or company of such MNPI, or buy or sell, or recommend or encourage others to buy or sell, Killam Trust Units or Exchangeable Units or other securities of Killam until such MNPI has been generally disclosed to the public. Restricted Trust Units may be redeemed while in possession of MNPI, but the Trust Units received cannot be sold until full disclosure of the MNPI has been made to the public.

Application

This insider trading policy applies to trustees, officers, senior management, and head office staff of Killam and to any other employee of Killam who may be in possession of or have access to confidential MNPI.

- a) For purposes of this Policy, "senior management" means President and CEO, Executive Vice President, CFO, Senior Vice Presidents, Vice Presidents, Directors, and Associate Directors, whether or not officers of Killam.
- b) This Policy applies to all trades in Killam Trust Units, including, but not limited to, purchases or sales of Killam Trust Units and the redemption of Restricted Trust Units and subsequent sale of Trust Units received.
- c) This Policy should be reviewed in conjunction with Killam's [Code of Conduct](#) and [Disclosure Policy](#).

Definition of Insiders

For the purposes of this Policy, an "Insider" is any person or company who is in a "special relationship" with Killam or who possesses MNPI about Killam. The definition of "special relationship" under applicable securities laws is broad and includes:

- a) trustees,
- b) officers,
- c) employees of Killam, and
- d) other insiders, as defined under applicable securities laws.

This Policy also applies to the immediate family (defined as direct family members living in the same household) of such Insider and to any corporation, partnership or other entity affiliated with or controlled by such Insider.

A person can be an Insider for a limited period of time with respect to certain undisclosed information which the person knows, even though the person may not be an Insider with respect to other information. For example, a resident manager who learns that earnings are significantly above or below expectations may be an Insider with respect to that information until the information has been generally disclosed to the public.

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Tipping

Insiders may be liable for improper transactions by "tippees," i.e., persons to whom they have disclosed MNPI regarding Killam (including to family members).

- a) If an Insider has MNPI, the Insider should not disclose this information to anyone outside Killam, other than in the necessary course of business. Also, the Insider should not disclose this information, in writing or casually, to any other Killam employee unless that employee has a need to know the information in order to perform his or her job.
- b) If disclosing MNPI in the necessary course of business, those receiving the MNPI should be advised that the information is confidential, they must not pass the information onto anyone else (other than in the necessary course of business and on a need-to-know basis) or trade on the information until it has been generally disclosed and they are subject to the insider trading, tipping and recommending prohibitions of applicable securities laws. The necessary course of business exception exists so as to not unduly interfere with Killam's ordinary business activities. For example, the "necessary course of business" exception would generally cover communications with:
 - i. Vendors, suppliers, or strategic partners on issues such as research and development, sales and marketing, and supply contracts;
 - ii. Employees, officers, and trustees;
 - iii. Lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to Killam;
 - iv. Parties to negotiations;
 - v. Labour unions and industry associations;
 - vi. Government agencies and non-governmental regulators; and
 - vii. Credit rating agencies (provided that the information is disclosed for the purpose of assisting the agency to formulate a credit rating and the agency's ratings generally are or will be publicly available).

Definition of Material Information

It is not possible to define all categories of material information. Information should be regarded as material if the information has a significant effect, or would reasonably be expected to have a significant effect, on the market price or value of Killam Units. While it may be difficult under this standard to determine whether certain information is material, there are various categories of information that may be regarded as material, such as:

- a) Changes in Unit ownership that may affect control of Killam
- b) Major reorganizations, amalgamations or mergers
- c) Takeover bids, issuer bids or insider bids
- d) Public or private sale of additional securities
- e) Planned repurchases or redemptions of securities

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- f) Planned splits of Units or offerings of warrants or rights to buy Units
- g) Any Unit consolidation, exchange or distributions
- h) Changes in Killam's distribution payments or policies
- i) The possible initiation of a proxy fight
- j) Material modification to rights of security holders
- k) A significant increase or decrease in near-term earnings prospects
- l) Unexpected changes in financial results for any periods
- m) Shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- n) Changes in the value or composition of Killam's assets
- o) Material changes in Killam's accounting policy
- p) Any development that affects Killam's resources, technology, products or markets
- q) Significant changes in capital investment plans or corporate objectives
- r) Major labour disputes or disputes with major contractors or suppliers
- s) Significant new contracts, products, patents or services or significant losses of contracts or business
- t) Changes to the board of trustees or executive management, including the departure of Killam's Chief Executive Officer, Executive Vice President, Chief Financial Officer, or persons in equivalent positions.
- u) The commencement of, or developments in, material legal proceedings or regulatory matters
- v) Waivers of corporate ethics and conduct rules for officers, trustees, and other key employees
- w) Any notice that reliance on a prior audit is no longer permissible
- x) De-listing of Killam's securities or their movement from one quotation system or exchange to another
- y) Significant acquisitions or dispositions of assets, property or joint venture interests
- z) Acquisitions of other companies, including a take-over bid for, or merger with, another company
- aa) The borrowing or lending of a significant amount of money
- bb) Any mortgaging or encumbering of Killam's assets
- cc) Defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- dd) Changes in rating agency decisions
- ee) Significant new credit arrangements

As a general rule, if the information makes you think of buying or selling Killam Units, it probably would have the same effect on others and would therefore constitute material information. If you are unsure

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whether information is material, please consult with one of the Designated Officers identified on page 5 of this Policy.

Definition of “Non-public” Information

Information is "non-public" until it has been generally disclosed to the public via a press release issued through major newswire services, national news services and financial news services or through Killam's publicly disclosed financial results. General disclosure also means public investors have had a reasonable amount of time to analyze the information.

For the purposes of this Policy, information will be considered public, i.e. no longer "non-public," after the close of the second full trading day following Killam's widespread public release of the information.

Regular Blackout Periods

Quarterly trading blackout periods will apply to all trustees, officers, senior management, head office employees, property managers and any other staff who have information relating to Killam's financial results during periods when financial statements are being prepared but results have not yet been publicly disclosed.

- a) In each and every fiscal quarter, the blackout period begins upon the 1st calendar day after the end of a quarter and ends after the 2nd full trading day following the issuance of a news release disclosing Killam's interim or year-end financial results.
- b) Trustees, officers or employees, including entities affiliated with or controlled by such persons, may not trade Trust Units during regular blackout periods. This group may, however, redeem Restricted Trust Units but may not sell the Trust Units received until the blackout period is no longer in effect.

Discretionary Blackout Periods

Killam may announce discretionary blackout periods from time to time as a result of special circumstances relating to Killam when Insiders would be precluded from trading in its securities. All parties with knowledge of such special circumstances should be covered by the blackout. These parties may include external advisors such as legal counsel, investment bankers, investor relations consultants and other professional advisors, and counterparties in negotiations of material potential transactions.

- a) All Killam team members who are considered in a blackout period for discretionary blackout periods will receive notice that they are designated "Blacked-out Employees" during such periods. Trustees will also be included and advised of any discretionary blackout periods.
- b) Trustees, officers and employees may confirm if a blackout is in effect by checking with the Chief Financial Officer.

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Prior Notification and Approval of Trades by Trustees, Officers and Senior Management

To assist in preventing even the appearance of an improper Insider trade, the following procedures must be followed by all trustees, officers and senior management of Killam. All trustees, officers and senior management should provide prior notice of the intention to carry out a trade (including either the purchase or sale of any securities of Killam) to one of the Designated Officers listed below:

<p>Philip Fraser President & CEO 902-453-4536 pfraser@killamreit.com</p>	<p>Robert Richardson, FCPA, FCA Executive Vice President 902-442-9001 rrichardson@killamreit.com</p>
<p>Dale Noseworthy, CPA, CA, CFA CFO 902-442-0388 dnoseworthy@killamreit.com</p>	<p>Erin Cleveland, CPA, CA SVP Finance 902-442-5048 ecleveland@killamreit.com</p>

- a) No trade of Killam securities shall be carried out without the approval of one of the Designated Officers. Any approval granted for any proposed trade will be valid for a period of 7 days, unless revoked prior to that time. No trade may be carried out after the expiry of 7 days following the receipt of approval unless such approval is renewed. The notice of intention to carry out a trade should be provided in writing. Approval of any trade will also be provided in writing.
- b) Attached as Appendix A to this policy is a suggested form of notification to be used in connection with a proposed purchase, sale or other transaction in Killam securities.
- c) Trustees, officers and employees are reminded that, notwithstanding any approval of a trade by a Designated Officer, the ultimate responsibility for complying with this Policy and applicable laws and regulations rests with the individual.

Insider Reporting Requirements – Filing Requirements on SEDI

- a) All trustees, certain senior executive officers (President & CEO, Executive Vice President, CFO, Senior Vice Presidents and Vice Presidents) and certain other "reporting insiders" of Killam are required to file an insider trading report with applicable securities regulatory authorities within 10 days after becoming a reporting insider, disclosing such person's beneficial ownership of or control or direction over securities of Killam, including Trust Units, debt securities, and security-based awards under Killam compensation plans.
- b) Each "reporting insider" is generally required to file an insider trading report with securities regulators any time such beneficial ownership of or control or direction changes within five days (including weekends and holidays) of the date on which the change occurs.

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- c) Erin Cleveland, Killam's SVP Finance, is available to file the required insider trading reports. Any individual completing a transaction should contact Erin in order for the required insider filing to be completed.
- d) Reporting insiders are reminded that they remain personally responsible for the timely disclosure of their trading activities and that the assistance offered by Killam in no way reduces the obligations imposed on them by applicable insider trading laws. Any late filing fees will be the responsibility of the individual.

Options, Puts, Calls and Like Instruments

Insiders are restricted from buying or selling or otherwise trading options, puts, calls or similar types of instruments exercisable into Killam Units, taking short positions in Killam Units and entering into other hedging transactions with respect to Killam securities.

Application of Policy after Employment Terminates

If an individual's employment or term as a trustee terminates, the prohibition on trading on any MNPI continues until such information is absorbed by the market following public announcement of it by Killam or another authorized party, or until such time as the information is no longer material.

Any questions about material non-public information should be directed to a Designated Officer).

Potential Criminal and Civil Liability

The consequences of prohibited insider trading, tipping or a failure to file an insider report where required on a timely basis can be severe and may include dismissal, fines, and criminal sanctions.

Summary

Do not trade securities of Killam or of another public company when you:

- a) Know material information about Killam which has not been generally disclosed and disseminated to the public; or
- b) Know material information about another public company which has not been generally disclosed and disseminated to the public and you learned of such material information because of your business or dealings with Killam; or
- c) Have received notice from the Chief Executive Officer, Chief Financial Officer, or their designee that you are subject to a blackout period.

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Implementation

- a) Killam's Disclosure Committee will be responsible for implementing this policy.
- b) All employees will be provided with a copy of this policy within 30 days of its preparation and all new employees will be provided with a copy within 30 days of their hire date.
- c) A copy of this policy will be provided to new trustees, officers, and director-level employees who will be educated about its importance and, unless already signing off on a code of conduct that encompasses this policy, will be required to sign a copy as evidence of their commitment to abide by the policy.
- d) This policy will be posted on the Killam's internal website and material changes will be communicated to all employees. A summary of the policy will be included in Killam's Code of Conduct, which will also include a link to the full policy.
- e) The Committee will review this policy as needed (at least annually) to ensure compliance with changing regulatory requirements and make recommendations to the Board for any appropriate changes.

Any questions or concerns relating to this Policy can be directed to the CEO, Executive Vice President or CFO.

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Appendix A

Killam Apartment REIT

NOTICE OF INTENTION TO TRADE SECURITIES

I hereby notify you of my intention to execute the following transaction in securities of Killam Apartment Real Estate Investment Trust ("Killam") and request approval of such transaction.

Type of transaction (check one):

Purchase Sale Other

If you selected "Other," please explain:

Number of Units to be traded: _____

I confirm that I am aware of the legal prohibitions against insider trading or tipping and confirm that I am not in possession of any material information relating to Killam or any of its operations that has not been disclosed to the public generally.

I understand that Killam's Insider Trading Policy supplements, and does not replace, applicable insider trading laws. I understand that a violation of insider trading or tipping laws and regulations may subject me to severe civil and/or criminal penalties, and that violation of the terms of Killam's Insider Trading Policy will subject me to discipline by Killam, up to and including termination.

I understand that, notwithstanding any trading authorization granted upon approval of this form, I remain personally responsible for complying with Killam's Insider Trading Policy and applicable laws and regulations.

Name (please print) _____

Signature _____

Date _____

AUTHORIZATION

Authorized by: _____ Date: _____ Time: _____

This authorization is valid for seven days, unless revoked prior to that time.