
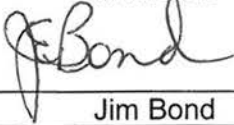


<p align="center">Corporate Policy/Procedures</p>		
<p align="center">SUBJECT</p> <p>CARE Policy</p>	<p align="center">ISSUER</p> <p align="center">Human Resources</p>	<p align="center">APPROVAL</p> 
<p>Effective: June 1, 2012</p>	<p>Supercedes:</p>	<p align="center">Jim Bond</p>

CARE (Confidential Anonymous Reporting for Employees)

General

Hi-Tech Seals Inc. (the "Company") is committed to the highest standards of openness and accountability. We believe that trust and integrity are of vital importance in our business. It is the responsibility of all employees of the Company, those who provide services to the Company, and its wholly owned subsidiaries to report violations or suspected violations in accordance with this Confidential Anonymous Reporting for Employees (CARE) Policy. This Policy is intended to encourage and enable employees, suppliers, customers, and others to raise serious concerns within the Company.

CARE Issues

We must all work to ensure prompt and consistent action against violations of our policies and code of conduct. Examples of such business ethics dilemmas and/or wrongdoings may include:

- An unlawful act whether civil or criminal
- Breach of or failure to implement or comply with an approved policy
- Knowingly breaching municipal, provincial, state, or federal laws or regulations
- Unprofessional conduct or established standards of practice
- Questionable accounting or auditing practices
- Dangerous practice likely to cause physical harm/damage to any person or property
- Failure to rectify to take reasonable steps to report a matter likely to give rise to a significant and avoidable cost or loss to the Company
- Abuse of power or authority for any unauthorized or ulterior purpose
- Harassment
- Workplace violence
- Substance abuse in the workplace
- Conflict of Interest
- Safety concerns
- Unfair discrimination in the course of the employment or provision of services
- Any other similar acts.

However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we keep in mind the following points.

1. Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
2. Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with and the alternatives you have. Use your judgment and common sense.
3. Your most immediate resource is your direct supervisor or Human Resources. He or she may have the information you need, or may be able to refer the questions to another appropriate source.
4. There may, however, be times when you would prefer not to go to your supervisor. You may want confidential advice about a business ethics dilemma facing you or suspected wrongdoing. You may want more information than your supervisor or Human Resources can give you or you may want to report an ethical concern about your supervisor's conduct.

The disclosure can relate to wrongdoings anywhere in North America; it is not restricted to head office.

Company Personnel are encouraged to promptly bring to the attention of a manager any information concerning any actual or apparent conflicts of interest between personal and professional relationships.

In order to protect anonymity the Company uses an external reporting agency/ Grant Thornton as an independent company that serves as an avenue for disclosure of unethical or illegal activities as observed or witnessed by staff, customers, or suppliers. Grant Thornton offers 24/7 access to confidential methods of disclosing these activities. Open dialogue within the Company is encouraged, however, if necessary, the alternative confidential procedures are provided by Grant Thornton.

Making a Disclosure

Company Personnel shall promptly report any information they may have concerning evidence of a material violation of laws, rules or regulations applicable to the Company and the operation of its business or any violation of the Code of Business Conduct and Ethics.

The Company aims to ensure that all issues raised under this policy are dealt with speedily and effectively. There are three ways to make a report through the CARE system: by telephone, email or online.

Grant Thornton CARE system

Toll free 1-855-484CARE (2273)

Email UseCARE@ca.gt.com

Secure Web site www.GrantThorntonCARE.ca

If you contact the CARE line and choose to remain anonymous, your right to do so will be respected. You should know, however, that it's normally easier to investigate concerns if you identify yourself and the other involved.

The Company's legal counsel and human resources will be involved in the process, as appropriate. We will always inform human resources of any suspected cases of unlawful discrimination or harassment.

No Retaliation

No employee who in good faith reports a violation of the code shall suffer harassment, retaliation or adverse employment consequences. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. The CARE Policy is intended to encourage and enable employees and others to raise serious concerns within the Company.