



PARETO CORPORATION

Code of Conduct

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We are counting on you

Dear member of Pareto Corporation

Pareto's reputation for integrity, fairness and professionalism is at the core of its brand. This Code of Conduct (the "Code") is intended as an expression of those principles and guidelines that will enable us to be one of Canada's leading marketing organizations.

The Code has been adopted by the Board of Directors and Senior Management of Pareto as our first statement of a compliance policy. The Code sets forth those guidelines, policies and procedures which comprise the core compliance principles applicable to all employees, members of management, officers and directors of Pareto, wherever they are located and without regard to the legal entity that employs them.

First, and perhaps, most crucial to the success of any compliance program, is the need for commitment to compliance throughout the organization. It is the personal responsibility of each employee to comply with the principles laid down in the Code. Compliance with legal requirements and the observance of high standards of business conduct and ethics at all levels should become second nature and the accepted discipline in common with compliance with other codes of practice and ethical standard which are part of everyday business. We are counting on you to help Pareto maintain its standard of excellence.

*Kingsley Ward
Chairman of the Board*

*Kerry Shapansky
Chief Executive Officer*

March 7, 2005

Our expectations

Pareto expects you to comply with all laws and regulations applicable to our businesses. In addition to the strict requirement to obey all laws and regulations, you are expected to adhere to both the spirit and the letter of proper business conduct. This Code cannot anticipate all the situations you may encounter. There may be situations in which you may have to rely upon your good judgment. Whenever you are uncertain about the propriety of a particular course of conduct, the Compliance Officer can assist you in understanding the risks and consequences of your contemplated actions.

It is the responsibility of management to ensure that the principles embodied in this Code are communicated to, understood and observed by all employees. Management should positively promote these policies by personal example, clear guidance and by making advice freely available.

Failure to comply with this Code may lead to disciplinary action being taken, including termination of employment. Managers, officers and directors may also be subject to disciplinary action if they condone misconduct or do not demonstrate the appropriate leadership to ensure compliance with the Code.

Administration of the Code

The Compliance Officer is your first point of contact to discuss all matters addressed in this Code. You may also choose to discuss any concerns or issues with your supervisor or other trusted advisor. In such a case, the supervisor or advisor had the obligation to inform the Compliance Officer. It is the Compliance Officer's responsibility to decide how to further proceed and to recommend a solution.

The ultimate responsibility for monitoring compliance with the Code lies with the Board. The Board has delegated this responsibility to the Governance Committee to oversee governance matters from time to time (the "Committee"). The Committee will be responsible for:

- filing the Code with the securities regulators on an annual basis, as required by law;
- reviewing the Code on an annual basis and approving amendments to the Code, if necessary or desirable;
- granting waivers to employees from the Code, if any;
- disclosing all waivers from the Code that have been granted in accordance with all applicable legal requirements;
- overseeing the preparation of and approving public disclosure relating to the Code; and
- overseeing the implementation and monitoring of the Code by the Compliance Officer.

Your concerns

In order to help Pareto maintain its standard of excellence, you are encouraged to bring your questions, suggestions and concerns about the Code or the conduct of our business to Pareto's attention. Pareto employees must follow this Code, all corporate by-laws, policies and other corporate requirements of Pareto and report any suspected violations. Any report and subsequent investigation of allegations of suspected improper activities, including violations of the Code, will be addressed under Pareto's Whistleblowing Policy.

An employee who becomes aware of a violation or possible violation of this Code or any of Pareto's other statements and policies must report that information immediately to the Compliance Officer, his or her supervisor or the CEO. An employee who reports an allegation in bad faith or for frivolous reasons may be subject to disciplinary action up to and including dismissal.

In accordance with the Whistleblowing Policy, Pareto will not permit any form of disciplinary action or retaliation, (including discharge, demotion, suspension, threats, harassment or any other form of discrimination) against an employee who has truthfully and in good faith reported a violation under this Code. Reporting shall be seen as a positive and non-threatening action. Pareto will strictly enforce this policy, and will treat retaliatory action as a violation that is subject to the same disciplinary measures, up to and including termination, as the prohibited discriminatory or harassing conducts.

In accordance with its Whistleblowing Policy, Pareto will act with utmost discretion when reviewing and acting on information and when addressing sensitive matters.

Personal and corporate integrity

Confidentiality of business information

General Rules

The business information gathered and maintained by Pareto's employees is an important and valuable asset. Consequently, Pareto has a keen interest in maintaining the confidentiality of such information and in preventing its unwarranted disclosure. It is vital that Pareto can at no time be accused or suspected of improperly disclosing or misusing confidential business information.

"Business information"

The term "business information" is used here in the broadest sense to include generally any information relating to our products, operations, personnel, business undertaken, business opportunities, or the identity of our clients and their business information. Some information is obviously sensitive, such as client contact lists or the terms of a business proposal under discussion.

Guidelines

Every item of business information which should be kept confidential cannot be enumerated. Any doubts should be resolved initially with the assumption that the information in question is confidential. It is the policy of Pareto that you maintain the confidentiality of business information as a continuing condition of your employment. Disclosures of such information to parties outside of or within Pareto may be made only if the requesting party has a clear right to the information ("need-to-know" or "need-to-use") or if the disclosure furthers our business interests.

You should also be wary of casual disclosures of business information in social settings, whether with competitors or otherwise.

Confidential or proprietary business information must never, under any circumstances, be used for personal gain or for the gain of any third party, including members of your family or household at the expense of those doing or seeking to do business with Pareto.

Employees are prohibited from: (a) taking for themselves personally or for family relations, opportunities that properly belong to Pareto or are

discovered through the use of business information, corporate property or position; (b) using business information, corporate property or position for personal gain; (c) favouring certain customers or suppliers for personal reasons; and (d) competing with Pareto. Employees owe a duty to Pareto to advance its legitimate interests when the opportunity to do so arises.

All documents, software and other material containing confidential, proprietary information, including all memoranda and other documents, software and other materials prepared by you in connection with your employment at Pareto are the property of Pareto and must be returned when you discontinue your employment at Pareto or otherwise upon request.

Conflicts of interest

General Rules

Pareto desires to avoid real or apparent conflicts of interest (including financial) between itself and its employees. Such conflicts, even if incurred innocently and unintentionally, present a potential for both embarrassment and financial loss to Pareto. You may not, therefore, use your position or the knowledge gained therein, nor engage in any activity in a manner which creates a conflict or appearance of conflict between Pareto's interests and your own personal interests.

Conflict of interest

It is not possible to provide a precise, comprehensive definition of a conflict of interest. The most obvious situations are those in which you, a member of your immediate family (i.e. spouse and children) or a cohabitant have an interest in an entity with which Pareto does business (for example, a client, supplier or consultant) or an entity which competes with Pareto. Employees must therefore disclose the existence of any personal or family relations that could hinder their ability to act in Pareto's best interest, have the potential to do so or could be perceived as doing so.

A particular activity or situation may be found to involve a conflict of interest even though it does not result in any financial loss to Pareto or its customers. Often the conflict can be dispelled through disclosure and discussion. However, in some instances it may be necessary to avoid the conflict by abandoning your interest in the other entity.

The law provides that if personal financial benefit is improperly gained by an employee, directly or indirectly, or through a cohabitant, as a result of his or her employment or by the use or misuse of Pareto's property or of information that is confidential to Pareto's business, then the employee must account to Pareto for any benefit received. Employees must do more than merely act within the law. They must act in such a manner that their conduct will bear the closest scrutiny should circumstances demand that it be examined. Not only actual conflicts of interest but the very appearance of conflict should be avoided.

Guidelines

The following guidelines, while not exhaustive, are provided to assist you in identifying and avoiding situations that may constitute or create an appearance of a conflict of interest. To avoid conflicts of interest, you shall not:

- participate in or benefit from any transaction involving Pareto, where you or members of your immediate family have a significant interest in the transaction or in the party(ies) involved (stock ownership is not a significant interest so long as it is of a modest amount in a corporation whose shares are regularly traded in an appreciable volume);
- divulge to any outside source any confidential information regarding Pareto;
- utilize any information, secured by reason of your position, for personal advantage or profit unless the information was equally available to the general public;
- accept commissions, gifts, credit, loans, entertainment or any other favours from outside parties in connection with any transaction made by Pareto, which go beyond common courtesies associated with acceptable business practices. Common courtesies are those normally associated with the market services industry. If you have any concerns regarding this matter, ask the Compliance Officer;
- engage in outside employment and other activities which interfere with your duties or which involve obligations that conflict, or may be perceived or seen to conflict, with the interests of Pareto;
- serve as officer, director or consultant to any profit-making organization other than an affiliate of Pareto without full disclosure and prior consent.

Insider trading

General rules

Pareto respects your right to engage in investment activities, and it indeed encourages employee ownership of Pareto shares. However, Pareto would like to draw your attention to the fact that, in the course of your employment, you may acquire material non-public information (“inside information”) about Pareto and that you owe a fiduciary duty to Pareto and our shareholders not to trade on such inside information prior to its public release and absorption by the market.

The misuse of inside information can result in lawsuits, civil and criminal penalties, and in addition, embarrassment both to Pareto and the individual involved. It is also a violation of law for you to directly or indirectly derive personal gain by using inside information (“insider trading”) or to furnish such information to others who may use it for their own gain (“tipping”).

“Potential Insiders”

Certain Pareto employees are presumed, due to their function and position, to have access to specific information that may qualify as inside information. In particular, the preparation and communication of the interim and annual financial statements of Pareto, as well as involvement in special projects, provides certain categories of employees with access to privileged, confidential information.

The individuals are:

- A. Members of the Board of Directors (including the Secretary).
- B. Employees who are involved in specific confidential projects or transactions (e.g., acquisitions, sales, restructuring, etc.);
- C. Employees who are involved in preparing, analyzing or communicating Pareto’s quarterly and annual financial statements.

Each Potential Insider will be individually notified of his or her status by the Compliance Officer who maintains an up-to-date list of Potential Insiders.

Disclosure duty of Potential Insiders

It is the policy of Pareto that each designated Potential Insider disclose, within 24 hours, to the Compliance Officer in writing, by fax or e-mail, any direct or indirect trading (purchase, sale, exercise of option rights,

etc.) in Pareto securities. The Compliance Officer is responsible for maintaining records of any transactions and ensuring that only the Chairman of the Board of Directors has further access thereto.

“Close Period” (for certain Potential Insiders)

It is the responsibility of each employee to carefully adhere to and consider this Policy and applicable laws when dealing with any information that may qualify as inside information. However, in order to avoid any appearance of impropriety, it is Pareto’s policy that those Potential Insiders who are involved in determining, preparing or communicating the consolidated results, refrain from any direct or indirect trading (purchase, sale, exercise of option rights, etc.) in Pareto securities during a “Close Period” of (usually) 30 days preceding and until two days following the release of Pareto’s quarterly and annual consolidated results. Each Potential Insider to whom the “Close Period” applies will be notified by the Compliance Officer individually.

Gifts, payments and entertainment

General Rules

You may not accept compensation from another company or person for work for which you are being remunerated by Pareto. You, your family or cohabitant may not accept or solicit payments, gifts, entertainment or other favours which go beyond common courtesies usually associated with accepted business practice for the market services industry. Such favours may be regarded as placing you or Pareto under some obligation to a third party who is dealing or wishes to deal with Pareto.

Guidelines

In this spirit, you shall refuse any and all of the following from any person or company that is doing or seeking to do business with or is in competition with Pareto:

- gifts (including travel, lodgings, seminars outings, meals) of more than the appropriate value;
- loans in any amount (other than loans, facilities or services consistent with customary business practices and on commercial terms);
- excessive entertainment;
- substantial favours (e.g. employment for relatives or friends).

Unusual payments

Making or receiving bribes, illegitimate kickbacks, extraordinary and unreasonable commissions and other unusual payments or benefits to and

from any entity or person doing or seeking to do business with Pareto is prohibited. Pareto also prohibits giving, offering or promising a bribe, gratuity or kickback or other unusual payment or benefit to any public official in connection with obtaining or retaining business.

Our shared responsibilities

Discrimination and sexual harassment

General Rules

All employees should be treated with equal respect and dignity and should be provided with equality of opportunity to develop themselves and their careers. Particular judgments about people for the purposes of recruitment, development and promotion should be made solely on the basis of a person's ability, work performance and potential in relation to the needs of the job.

Discrimination

In accordance with Pareto's equal opportunity policy and practice, discrimination in the workplace against any employee or job applicant based on the person's sex, race, religion, national origin, age, disability or pregnancy will not be tolerated under any circumstances. With particular regard to Pareto's commitment to maintain a work environment free from discrimination, you should be aware of the following guidelines.

Sexual harassment

Sexual harassment of employees by other employees is prohibited. Employees cannot be forced to submit to such conduct as a basis for any employment or advancement decision and Pareto will do its best to stamp out any conduct which creates an intimidating, hostile or offensive work environment for its employees. In addition, sexual harassment is a violation of law.

Guidelines

In the event that any sort of ethnic, racial, religious, or sexual harassment or discrimination, or similarly abusive verbal or physical conduct by any supervisor, manager, co-worker, client or any other person in connection with their employment at Pareto interferes with any individual's work performance or creates an intimidating, hostile or offensive work environment, the affected individuals should bring the matter to the Human Resources Department. Every effort will be made to investigate all allegations of harassment or discrimination thoroughly, promptly and discreetly. Communications will be kept confidential on a need-to-know basis. A report will be made to the affected employee concerning the results of the investigation. Pareto will not tolerate retaliation against any

employee who complains of harassment or discrimination or provides information in connection with any such complaint.

Communications

Contact with media

Pareto can be held responsible for statements made by employees on its behalf. Therefore, no employee other than those specifically authorized to do so should speak to or answer inquiries from members of the media regarding any matter in respect of or affecting Pareto. Contact with the media shall be conducted only by the duly defined spokespersons.

Document care

In addition, you should use reasonable care regarding the creation and dissemination of all documents, both in paper and electronic form, and should avoid creating anything that you would not want to see on the front page of the newspaper or would not be prepared to take direct responsibility for. Nearly every document, be it a memorandum, a letter, an e-mail, an expense report or a marketing survey could be subject to examination in court or otherwise and possibly to public disclosure. Therefore, it is important that you carefully consider everything that you put in writing and how you express your ideas and conclusions through whatever medium. Should you have any queries or doubts with respect to any corporate communications issues, you should contact the Corporate Communications Manager or the Compliance Officer.

Contacts by regulators and agencies

In the event that you are being contacted by a regulatory or self-regulatory organization, law enforcement or other governmental agency, you should immediately refer the matter to the Compliance Officer, unless you are an authorized regulatory contact.

If any employee becomes involved in any material litigation, arbitration or any material investigation (i.e. other than minor road traffic violations) initiated by a regulatory, law enforcement or governmental agency that could reflect on or relate to the character, integrity or professional fitness of the employee either while employed with Pareto or resulting from service with a previous employer, the Compliance Officer should be notified.

Gathering Competitive Information

Pareto employees will not use improper or illegal means of gathering information about competitors or other third parties. Theft or illegal entry

and electronic eavesdropping are obviously unacceptable means of searching for competitive intelligence. In addition, employees must not represent themselves or their situation in order to convince others to release information to them (for example, by posing as a customer) or retaining a third party to do so. Employees must not offer a bribe or a gift in exchange for a competitor's information nor solicit information from a competitor's ex-employee now working for Pareto.

Use of information technology resources

General Rules

Pareto provides you with information technology, including access to the resources of the internet in order to facilitate communication among Pareto's personnel and clients and other parties in connection with Pareto's business, to encourage the use of electronic information in the conduct of our business and to otherwise assist you in the performance of your job. It is your responsibility to ensure that this technology is used prudently and properly in a manner consistent with Pareto's policies regarding business conduct and the guidelines and procedures described below.

E-mail and voice mail

E-mail and voice mail should be used for business purposes only, with distribution limited to the necessary individuals. The confidentiality of electronic messages, in particular when transmitted via the Internet, is not ensured; even when a message is deleted, it may still be retrieved and accessed. Any messages created by you are considered business records with potential legal implications. In addition, all memoranda or e-mails sent, voice messages left and telephone calls made by you will be taken by the recipient as a reflection of the core values, policies and ethics of Pareto. Pareto may have access to these records, as may parties bringing actions against Pareto, and you may be required to deliver to Pareto your e-mail files subject to the limitations of local law.

Internet

The use of the Internet is intended for business purposes only. Internet use via the Pareto Internet service provider may be monitored and access to objectionable sites is blocked throughout Pareto. Inappropriate material shall not be sent or received via e-mail or any Internet service provider.

Copyright

General Rules

In the performance of your duties, you may frequently access and use materials in which third parties have a copyright or other proprietary interest. Although it may be permissible to make a single copy of an article for your own use or to include it in a file, copying on a large scale, whether on paper or in electronic media, may – as the case may be – violate the author's copyright and expose you and Pareto to a lawsuit. The same principles apply to documents from the Internet and from database services.

Computer programs

The copyright laws also protect computer programs. As a general rule, you should not copy software except for backup or archival purposes. Any works of authorship, including computer programs, created by you as part of your job, are the exclusive property of Pareto.

Employee privacy

General rules

Pareto respects your privacy. It collects and maintains information which relates to your employment, including medical and employee benefit information. Employees whose responsibilities include gathering and maintaining such information may not disclose it without the consent of the employee concerned or unless specifically required (e.g. by law, or for the proper performance of employee or business administration) and subject it to appropriate access and security control instruments. Any requests (oral or written) for present or post-employment references that exceed customary practice should be referred, unanswered, to Human Resources.

Right of access

In order to ensure access at all times to Pareto property (particularly in emergencies), Pareto necessarily reserves the right of access to your office, desk, file cabinet, closet or similar places, whether or not such places are locked.

Substance abuse

General Rules

The illegal possession, use, purchase, transfer or sale of narcotics or other controlled substances on property owned or controlled by Pareto, in vehicles owned or leased by Pareto or during the performance of Pareto business or at Pareto sponsored events is prohibited. Pareto will cooperate with the appropriate law enforcement agencies with respect to such acts.

Alcoholic beverages

Should you choose to consume alcoholic beverages while on Pareto business, or, if so permitted, on Pareto property or at Pareto sponsored events, you are expected to limit consumption to assure that your judgment is not impaired. It is the policy of Pareto to encourage employees who may have a drug or alcohol problem to seek professional care and counseling.