



WHISTLEBLOWER POLICY

The following whistleblower policy was adopted by the board of directors of K-Bro Linen Inc. (the "Corporation") effective as of January 1, 2011.

As indicated in its Code of Business Conduct and Ethics, K-Bro Linen Inc. (the "**Corporation**") and its subsidiaries and affiliates (the "**Corporation Entities**") have a strong commitment to the conduct of their business in a lawful and ethical manner. Directors, officers and employees of the Corporation Entities (collectively, "**Corporation Personnel**") are expected to talk to supervisors, managers or other appropriate personnel about concerns they may have in respect of illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is the policy of the Corporation Entities not to allow retaliation for reports of such conduct made in good faith. It is, at the same time, unacceptable to file a report knowing it is false.

The Corporation Entities require honest and accurate recording and reporting of information. The Corporation Entities' accounting records are relied upon to produce reports for management, directors, shareholders, governmental agencies and persons with whom the Corporation Entities do business. All of the Corporation's financial statements and the books, records and accounts on which they are based, must appropriately reflect the Corporation Entities' activities and conform to applicable legal, accounting and auditing requirements and to the Corporation Entities' system of internal controls.

CONFIDENTIAL COMPLAINT PROCEDURES

The Corporation has established procedures to permit Corporation Personnel to submit good faith complaints relating to any questionable accounting or auditing matter, including:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statements of the Corporation,
- fraud or deliberate error in the recording or maintaining of financial records of the Corporation Entities,
- deficiencies in, or non-compliance with, the Corporation Entities' system of internal controls,
- misrepresentations or false statements to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Corporation Entities, or
- deviations from full and fair reporting of the Corporation Entities' financial condition.

Any employee with a good faith concern about any accounting or auditing matter or any other matter which such employee believes in violation of the Code of Business Conduct and Ethics can report those concerns directly to the Chairman of the Audit Committee of the Corporation (currently Ross Smith) in any of the following ways:

- by email: rsmith1@shaw.ca
- by fax: (604) 983-3235
- by mail: 1190 Sutton Place
West Vancouver, B.C.
V7S 2L2

Confidentiality of complaints received by the Chairman will be maintained to the fullest extent possible, consistent with the need to conduct an appropriate review. When possible, the Chairman will acknowledge receipt of a complaint, although it is not the intention to communicate to the person making the complaint the status of its review or resolution.

Upon receipt of a complaint, the Chairman will determine whether the complaint relates to a questionable accounting or auditing matter. Any complaints that do will be immediately brought to the attention of, and reviewed under the direction of, the Audit Committee of the Corporation. Prompt and appropriate corrective action will be taken when and as warranted in the judgement of the Audit Committee.

The Chairman will maintain a log of all complaints that are received, tracking their receipt, investigation and resolution.

PROTECTION OF CORPORATION PERSONNEL

The Corporation Entities will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any Corporation Personnel in the terms and conditions of employment based upon any lawful actions with respect to good faith reporting of complaints as contemplated in these procedures.