TIM HORTONS INC.

DISCLOSURE CONTROLS AND PROCEDURES POLICY

Adopted October 27, 2009
(Most Recently Revised: November 6, 2013)

A. General Purpose

The purpose of adopting this Disclosure Controls and Procedures Policy is to consolidate practices and processes regarding disclosure controls and procedures of Tim Hortons Inc. and its subsidiaries (collectively, the “Company”) in a format designed for general use and understanding by the Company’s directors, officers, and employees. Disclosure controls and procedures are designed so that the information required to be disclosed in the Company’s annual, quarterly, and other reports and filings under the Securities Exchange Act of 1934, as amended, and the rules of the Canadian securities regulatory authorities is recorded, processed, summarized and reported in a complete and accurate manner within the time periods specified in the rules and forms prescribed by the Securities and Exchange Commission (“SEC”) and the Canadian securities regulatory authorities (collectively, the “Regulators”). Disclosure controls and procedures are also designed so that such information is accumulated and communicated to the Company’s management, including the CEO and CFO, to allow timely decisions regarding required disclosure.

Certification Procedures. In addition, Section 302 of the Sarbanes-Oxley Act 2002 (“SOX”), requires the Company’s CEO and CFO to make personal certifications in each annual report on Form 10-K and each quarterly report on Form 10-Q filed with the SEC that, among other things, they have: (a) designed disclosure controls and procedures, in each case used herein including but not limited to internal controls over financial reporting, or caused disclosure controls and procedures to be designed under their supervision, so that material information about the Company, including its consolidated subsidiaries, is made known to the CEO/CFO by others within those entities, particularly during the period for which the applicable report is being prepared; and (b) evaluated the effectiveness of the disclosure controls and procedures and presented, in the applicable report, their conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by the applicable report. In addition, Section 906 of SOX requires that the CEO and CFO certify in each annual and quarterly report filed with the SEC that the information contained in the report fairly presents, in all material respects, the Company’s financial condition and results of operations. The rules of the Canadian securities regulatory authorities also require the Company’s CEO and CFO to make personal certifications in each annual and interim report filed with the Canadian securities regulatory

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1 Among other things, Section 302 of SOX also requires the Company’s CEO and CFO to make personal certifications, based on their knowledge, that: (a) the Company’s annual or quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the applicable report; and (b) the financial statements, and other financial information included in the applicable report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in the applicable report.
authorities. The substance of the certifications to be made in connection with the filings in Canada is similar to that described above, and the filing of U.S. certifications will satisfy the Canadian requirements.

To assist each of the Company, the CEO, and the CFO in meeting their obligations, the Company has established a Disclosure Committee. The purpose of the Disclosure Committee is to:

- assist the Company in fulfilling its objective to provide accurate and complete information to shareholders and the investment community that fairly presents the Company's financial condition and results of operations in all material respects in compliance with all disclosure and related requirements of applicable laws, including securities laws and stock exchange rules; and

- assist the CEO and CFO in the discharge of their responsibility to design, establish, maintain, review and evaluate the Company's disclosure controls and procedures.

In addition to the activities of the Disclosure Committee, it is the duty and responsibility of each director, officer, and employee to be actively engaged in the implementation and maintenance of disclosure controls and procedures applicable to and requested of such director, officer or employee in connection with their particular job functions within the Company. As such, all directors, officers, and employees must give careful and thoughtful consideration to inquiries, requests for information, and other matters submitted to them as part of the disclosure controls and procedures. It is imperative for the effectiveness of the Company’s disclosure controls and procedures that directors, officers, and employees devote sufficient time and active involvement in these efforts, including following up on any outstanding or open matters generated in connection with disclosure controls and procedures, such that complete, accurate, and timely responses are provided.

B. Disclosure Checklists

Disclosure controls and procedures established and maintained in connection with the Company's annual report on Form 10-K and proxy circular are set forth in the Annual Disclosure Controls and Procedures Tracking Checklist for Tim Hortons Inc. (the “Annual Disclosure Checklist”) maintained by the Company. Similarly, disclosure controls and procedures established and maintained in connection with the Company's quarterly reports on Form 10-Q are set forth in the Quarterly Disclosure Controls and Procedures Tracking Checklist for Tim Hortons Inc. (the “Quarterly Disclosure Checklist” and, together with the Annual Disclosure Checklist, the “Disclosure Checklists”).

The Disclosure Checklists contain an itemized list of the disclosure controls and procedures that must be followed with respect to the applicable quarterly and annual reports (Form 10-Q or Form 10-K) and the proxy circular, as applicable. Among the key disclosure controls and procedures, as set forth in the Disclosure Checklists, are the following:

- online questionnaires provided to key officers and employees that are submitted to the CEO/CFO for review;
personal interviews between select officers and employees and the CEO/CFO;

written sub-certifications provided by key officers and employees of the Company as to the accuracy of the information in the quarterly or annual report, including, but not limited to, financial information;

circulation or online completion of the Annual/Quarterly Financial Review Checklists to all individuals responsible for generating, preparing, and/or reviewing various information used in connection with the generation of financial statements and external reporting;

circulation of inquiries to certain officers and employees respecting related party transactions, material contracts, updating of risk factors and known trends and uncertainties, and other matters; and

annual director and officer questionnaires to confirm certain disclosures in the Form 10-K and proxy circular.

The Disclosure Checklists specify the employees or officers who are responsible for preparing and circulating drafts of disclosure documents (or portions thereof) and back-up materials, as described in the Disclosure Checklists. The Disclosure Checklists also describe the persons to whom, and when, such materials are to be circulated, and the date comments or responses are due. Where appropriate, the Disclosure Committee may also identify other employees of the Company, and have them review sections of draft reports, provide supporting material, or participate in discussions of language included in quarterly or annual reports and/or matters to be considered for disclosure.

The Disclosure Policy and the Summary of Form 8-K Current Report Disclosure Items Checklist serve as disclosure controls and procedures for required filed or furnished Form 8-K reports. The filing of material change reports and compliance with other Canadian continuous disclosure requirements may be triggered as a result of the occurrence of facts or circumstances that may or may not also require filing or furnishing a Form 8-K report. The Disclosure Policy independently serves as a disclosure control for compliance with Canadian timely disclosure requirements in the event the facts or circumstances do not also trigger the filing or furnishing of a Form 8-K.

C. **Evaluation of Effectiveness of Disclosure Controls and Procedures**

As stated above, the CEO/CFO must certify in the annual report and each quarterly report that they have evaluated the effectiveness of the Company’s disclosure controls and procedures. The CEO/CFO have implemented procedures, described in Section B above, to assist them with this determination, and the CEO/CFO may further appoint delegates, which may include but are not limited to the Disclosure Committee, and take such other action, as may be required to assist the CEO/CFO with this evaluation. The objective of the evaluations is to enable the CEO/CFO to be satisfied that effective controls and procedures have been implemented and maintained so that the information disclosed in the Company's regulatory filings and other public disclosure documents is timely and complete, and accurately reflects the condition of the Company. In
conducting such evaluations, the CEO/CFO, or their qualified delegates, which may include but
is not limited to the Disclosure Committee, should do the following:

- evaluate whether the design of the disclosure controls and procedures is appropriate,
taking into account any changes in the Company's organization or business since the
most recent evaluation, such as new personnel or significant acquisitions or
dispositions, as well as evolving regulatory developments and changing industry
practices, and making any necessary or advisable updates to the Disclosure Checklists
as a result of the review;

- consider whether the appropriate people are involved in the disclosure process;

- confirm that the procedures allow enough time to prepare full and accurate disclosure;

- consider any ways to improve the accuracy of the reports and how the accuracy of
such reports is evidenced;

- consider how key risk areas are identified and addressed and confirm that sufficient
attention is paid to these areas;

- consider where the system might fail and how to address those weaknesses;

- address any concerns that have been raised by the Regulators about the Company's
disclosure;

- discuss legal and regulatory matters with members of the Legal Department;

- discuss internal control over financial reporting with external auditors and members
of the external financial reporting team;

- meet with internal auditors to discuss their conclusions and concerns, if any, about
disclosure controls and procedures, including internal control over financial reporting,
and general compliance with applicable regulation, to the extent subject to internal
audit oversight; and

- discuss any weaknesses in disclosure controls that have been identified, including
how they are to be addressed and remediated.

D. Disclosure Committee

The duties and responsibilities of the Disclosure Committee are set forth in the
Disclosure Committee Charter, a copy of which is available at any time from the Tim Hortons
Securities Legal Group.

In fulfilling its responsibilities, the full Disclosure Committee shall meet not less than
quarterly, and it shall conduct its affairs in accordance with the terms of the Disclosure
Committee Charter. Notwithstanding anything herein that may be construed to the contrary, the
duties and responsibilities of the Disclosure Committee may be performed by individual
members of the Disclosure Committee, in accordance with their respective expertise and job functions, and/or their designees; provided, however, that the Legal Department must be consulted in connection with all significant disclosure matters, including but not limited to those containing financial information, and all significant considerations in connection with disclosure controls and procedures, as described in this Policy, in accordance with the terms of the Disclosure Policy, and/or otherwise. Formal meetings of, and/or actions by the full Disclosure Committee are not required in connection with any of these duties or responsibilities, except for meetings requested by one or more members of the Disclosure Committee with respect to specific matters, and except for the quarterly meetings to review and discuss disclosures in, and the substance of quarterly reports on, Form 10-Q, annual reports on Form 10-K and certain information included in the proxy circular.

The Disclosure Committee shall confirm the performance by individuals identified in the Disclosure Checklists of their obligations set forth therein within the required timeframes. At least one of the members of the Disclosure Committee shall confirm distribution to reviewers of appropriate materials to assist them in conducting their review of disclosure documents presented to the full Disclosure Committee. Any member of the Disclosure Committee may request that additional information be provided at any time. Where appropriate, any member of the Disclosure Committee may require that the person(s) responsible for drafting the disclosure documents provide and maintain appropriate evidence that substantiates the accuracy of the statements made, including that there are no omissions that make statements made in such disclosure documents misleading.

As discussed in the Disclosure Committee Charter and as set forth above, the full Disclosure Committee shall convene quarterly meetings to review the quarterly Form 10-Q reports, annual Form 10-K reports, and certain information contained in the proxy circular, but shall not be required to meet to consider other disclosure documents such as the entire proxy circular, current Form 8-K reports, press releases, earnings releases, call scripts, and other public disclosures (including material change reports and business acquisition reports), which may be handled by one or more of the members of the Disclosure Committee, as part of their specific expertise and their job function, and/or by their designees; provided, however, that, any matter in connection with any such other public disclosure, or other disclosure consideration, that a member of the Disclosure Committee would like to bring before the entire Disclosure Committee for consideration, may properly come before the Disclosure Committee at the request of one or more members. In addition, notwithstanding anything in the foregoing to the contrary, the Legal Department must be consulted in connection with all significant disclosure matters, including but not limited to those containing financial information, and all significant considerations in connection with disclosure controls and procedures, as described in this Policy, in accordance with the terms of the Disclosure Policy, and/or otherwise.

E. **Participation of External Experts**

The Company's external auditor should review the MD&A and other financial sections of the applicable annual and quarterly reports and other public disclosures of financial information. The external auditor must also be present or be available to be present at Audit Committee meetings, as required.
External legal counsel or other external consultants and other experts may also be invited to review and/or assist in the preparation of relevant disclosure documents, subject to CEO or CFO approval, and the Disclosure Committee may invite such persons to participate in all or part of the Disclosure Committee’s meetings.

F. Violation of the Disclosure Controls and Procedures Policy

Any violation of this Disclosure Controls and Procedures Policy by a director, officer, or employee shall be brought to the attention of the Legal Department and may constitute grounds for termination of service. In addition, if such violation causes a violation of Section 302 or 906 of SOX or the applicable rules of the Canadian securities regulatory authorities, or other violation of applicable securities laws or regulations or stock exchange rules, it may give rise to an SEC or Canadian securities regulatory authorities investigation and an enforcement action against the Company and/or the individuals involved, which could ultimately result in a variety of penalties, including a cease-and-desist order, a civil action seeking an injunction and/or monetary penalties, director and officer bans, or criminal penalties.

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In this Disclosure Controls and Procedures Policy, references to reporting to or consultation with the Legal Department means that either Jill Aebker (905-339-6102) or another member of the Securities Practice Group should be contacted. In addition, any questions concerning compliance with this Disclosure Controls and Procedures Policy should be directed to Jill Aebker or another member of the Securities Practice Group. The Company intends to communicate the contents of, and requirements set forth in, this Policy to all of its directors, officers, and employees.

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This Disclosure Controls and Procedures Policy was adopted and approved by the Audit Committee on October 27, 2009, and most recently revised by the Audit Committee on November 5, 2013. The Board of Directors reviewed this Disclosure Controls and Procedures Policy upon its initial adoption and reviews any subsequent material modifications made hereto.