



Disclosure, Confidentiality and Insider Trading Policy

1. Purpose of This Policy

The purpose of this disclosure, confidentiality and insider trading policy (the “**Policy**”) of New Gold Inc. (the “**Company**”) is to set out certain policies to ensure that:

- the Company complies with its timely disclosure obligations as required under applicable exchange rules, United States and Canadian securities laws;
- the Company prevents the selective disclosure of material changes (as defined herein) to analysts, institutional investors, market professionals and others;
- documents released by the Company or public oral statements made by a person with actual, implied or apparent authority to speak on behalf of the Company that relates to the business and affairs of the Company do not contain a misrepresentation (as defined herein);
- all persons to whom this Policy applies understand their obligations to preserve the confidentiality of Undisclosed Material Information (as defined herein); and
- all appropriate parties who have Undisclosed Material Information are prohibited from trading in securities of the Company on such Undisclosed Material Information and Tipping (as defined herein) under applicable laws, stock exchange rules and this Policy.

All persons to whom this Policy applies will exercise their powers and discharge their duties and will act honestly and in good faith with a view to the best interests of the Company.

2. Application of This Policy

This policy applies to the groups of persons set out in attached Schedule “A” attached. Each section of the Policy that imposes restrictions and obligations will describe which groups of persons are subject to that section. References in this Policy to “any person to whom this Policy applies” or similar references are intended to include persons in all of the groups set out in Schedule “A”.

3. Disclosure Committee

3.1 Structure of the Disclosure Committee

The Company has created a corporate disclosure committee (the “**Disclosure Committee**”) which is responsible for implementing this Policy. The Disclosure Committee will consist of the Executive Chairman, the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer and such other persons as may be designated by the Chief Executive Officer and the Chief Financial Officer.

Notwithstanding the foregoing, the composition of the Disclosure Committee may change from time to time. A majority of the members of the Disclosure Committee present in person or by conference call at the time a meeting is convened will constitute a quorum for all purposes. The Disclosure Committee may adopt disclosure controls and procedures in addition to those set out in this Policy.

3.2 Responsibilities of the Disclosure Committee

The Disclosure Committee will have the responsibility to:

- a. evaluate the necessity of making public disclosures;
- b. review and approve, before it is Generally Disclosed (as defined herein), each Document (as defined) to assess the quality of the disclosures made in the Document including, but not limited to, whether the Document is accurate and complete in all material respects;
- c. review and approve the guidelines and procedures to be distributed to appropriate management and other Company personnel designed to gather the information required to be disclosed in Core Documents (as defined herein);
- d. establish timelines for the preparation of Core Documents, which timelines will include sufficient time for review by the Disclosure Committee in advance of the applicable filing deadline;
- e. make determinations about whether:
 - i. a Material Change has occurred;
 - ii. selective disclosure has been or might be made; or
 - iii. a misrepresentation has been made;
- f. oversee the design and implementation of this Policy and the Company's "**disclosure controls and procedures**," which are defined as controls and procedures that are designed to ensure that information required to be disclosed by the Company in its Core Documents is recorded, processed, summarized and reported within the specified time periods;
- g. periodically evaluate the effectiveness of the Company's disclosure controls and procedures, particularly prior to the filing of each Core Document, and assist the Chief Executive Officer and the Chief Financial Officer with their evaluation of the effectiveness of such disclosure controls and procedures.
- h. in its discretion, conduct interim evaluations of the Company's disclosure controls and procedures in the event of significant changes in securities regulatory requirements, Canadian GAAP, legal or other regulatory policies, or stock exchange requirements, or if it otherwise considers such evaluations appropriate;
- i. educate the Directors, Officers, Employees and Contractors about the matters contemplated by this Policy;
- j. monitor the effectiveness of, and compliance with, this Policy and report to the Audit Committee of the Board on the operation of this Policy, or to the Chief Executive Officer and the Chief Financial Officer in the case of the effectiveness of the disclosure controls and procedures and the Disclosure Committee's assessment of the quality of the disclosures made in Documents, and recommend any necessary changes to this Policy;
- k. annually review and reassess the adequacy of this Policy and, if necessary, recommend any changes to the Chief Executive Officer and the Chief Financial Officer for approval such that it complies with changing requirements and best practices;
- l. accumulate information which may be required to be reported upon or disclosed and communicated to the executive officers of the Company to allow the Company to meet its disclosure obligations on a timely basis; and

- m. report to the Chief Executive Officer and the Chief Financial Officer prior to such officers executing their certifications related to the Company’s Core Documents setting out the evaluation, findings and conclusions of the Disclosure Committee regarding the effectiveness of the Company’s disclosure controls and procedures and the Disclosure Committee’s assessment of the quality of the disclosures made in the Company’s Core Documents.

3.3 Meetings of the Disclosure Committee

The Disclosure Committee will meet every quarter or as circumstances dictate and minutes of such meetings will be maintained by the Corporate Secretary of the Company. Any member of the Disclosure Committee may call a meeting of the Disclosure Committee, with or without notice as circumstances dictate, to consider any matter within the mandate of the Disclosure Committee. Unless otherwise set out in this Policy, or as established by the Disclosure Committee from time to time, all of the rules of procedure with respect to meetings and other activities of the Board will apply to the Disclosure Committee.

3.4 Consulting Outside Advisors

The Disclosure Committee may consult with the Company’s legal counsel and other appropriate expert advisors as it considers necessary in connection with this Policy.

4. Individuals who are Authorized to Speak on Behalf of the Company

4.1 Unless otherwise authorized by the Disclosure Committee, only the following individuals (“**Spokespersons**”) are authorized to make public oral statements or initiate contacts with analysts, the media and investors. As well, only the Spokespersons are authorized to respond to analysts, the media and investors on behalf of the Company and only with respect to the areas noted opposite their names. The list may be changed by the Disclosure Committee from time to time.

<u>Spokesperson</u>	<u>Area</u>
Executive Chairman	All Areas
Chief Executive Officer	All Areas
Chief Financial Officer	All Areas
VP, Investor Relations	All Areas
Investor Relations Coordinator	All Areas

4.2 If you are not a Spokesperson and are approached by the media, an analyst, investor or any other member of the public to comment on the business and affairs of the Company, you must refer all inquiries to the Chief Executive Officer and immediately notify the Chief Executive Officer that the approach was made.

4.3 A Spokesperson may, from time to time, designate in writing (1) other Directors, Officers, Employees or Contractors, or (2) with the approval of the Disclosure Committee, any other person, to speak on behalf of the Company as back-ups or to respond to specific inquiries. The Spokesperson will advise the Chief Executive Officer that such a delegation has been made prior to speaking on the Company’s behalf.

5. Procedures Regarding the Preparation and Release Documents

5.1 The procedures in this section apply to all Directors, Officers, Employees and Contractors.

5.2 A “**Document**” means any public written communication, including a communication prepared and transmitted in electronic form:

- that is required to be filed with securities regulatory authorities, on the EDGAR website or the SEDAR website;
- that is not required to be filed with the BCSC, on the EDGAR website, or on the SEDAR website, but is so filed;
- that is filed or required to be filed with a government or an agency of a government under applicable law or with any stock exchange or similar institution under its bylaws, rules or regulations; or
- the content of which would reasonably be expected to effect the market price or value of the securities of the Company.

5.3 A “**misrepresentation**” means:

- an untrue statement of a material fact (as defined herein); or
- an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the circumstances in which it is made.

5.4 The Act distinguishes between “core documents” and “non-core documents”.

For the purpose of this Policy, the following documents are “**Core Documents**”:

- prospectuses;
- take-over bid circulars;
- issuer bid circulars;
- directors’ circulars;
- rights offering circulars;
- management’s discussion and analysis (“**MD&A**”);
- annual information forms;
- information circulars;
- annual financial statements;
- interim financial statements; and
- material change reports.

5.5 Prior to the time that any Document is to be released to the public, filed with a securities regulatory authority, on the EDGAR website or filed on SEDAR, the following procedures must be observed:

- the Document must be prepared in consultation with, and be reviewed by, personnel in all applicable internal departments of the Company, and input from external experts and advisors should be obtained as necessary;
- any Core Document, other than a material change report, must be reviewed and approved by the Disclosure Committee;
- any press release which contains Material Information or any material change report must be reviewed and approved by the Chief Executive Officer, the Chief Financial Officer and at least one other member of the Disclosure Committee;
- in the event a report, statement or opinion of any expert is included or summarized in a Document, the written consent of the expert to the use of the report, statement or opinion or extract thereof and the specific form of disclosure will be obtained. In addition, the Disclosure Committee must be satisfied that:
 - i. there are no reasonable grounds to believe that there is a misrepresentation in the part of the Document made on the authority of the expert; and
 - ii. (the part of the Document made on the authority of the expert fairly represents the expert report, statement or opinion;
- Core Documents, other than material change reports, must be provided to the Directors sufficiently in advance of the time they are to be filed or released to allow the Directors to review and comment on such documents. It is recognized that the requirement to make prompt disclosure of material changes by way of press releases may make it difficult to have certain press releases and material change reports reviewed by the Directors;
- in the case of interim financial statements, annual financial statements and interim and annual MD&A, such documents must be reviewed and approved by the Audit Committee of the Board in accordance with the Audit Committee Charter following approval of the Disclosure Committee and prior to submission to the Board as a whole; and
- the Company must comply with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* as well as relevant exchange standards.

5.6 In the event that a Document contains any Forward-Looking Information (as defined below) this information must be specifically identified as such and include reasonable cautionary language.

5.7 “**Forward-Looking Information**” means all disclosure regarding possible events, conditions or results (including future-oriented financial information with respect to prospective results of operations, a prospective financial position or prospective changes in financial position that is based on assumptions about future economic conditions and courses of action) that is presented as either a forecast or a projection. An example would be the discussion of trends and prospects for the Company in its MD&A.

6. Procedures Regarding Public Oral Statements

6.1 The procedures in this section apply to all Directors, Officers, Employees, Contractors, Spokespersons and any other person with actual or implied authority to make a public oral statement (as defined below).

6.2 A “**public oral statement**” is any oral statement made in circumstances in which a reasonable person would believe that information contained in the statement will become Generally Disclosed. Examples include speeches, presentations, news conferences, interviews and discussions with analysts where the Company’s business and affairs, prospects or financial condition is discussed. The following procedures should be observed in respect of any public oral statements made by or on behalf of the Company:

- such public oral statements should be made only by the Spokespersons authorized by this Policy to make public oral statements on behalf of the Company; and
- the Spokespersons must ensure that any public oral statements on behalf of the Company do not contain a misrepresentation and comply with this Policy.

6.3 Where a public oral statement contains Forward-Looking Information, the Spokesperson must, prior to making such a public oral statement make a cautionary statement indicating that the public oral statement contains Forward-Looking Information.

7. Timely Disclosure of Material Information

7.1 “**Material Information**” consists of both “material facts” and “material changes”. A “**material fact**” means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the securities of the Company. A “**material change**” means a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the Company and includes a decision to implement such a change if such a decision is made by the Board or by senior management of the Company who believe that confirmation of the decision by the Board is probable.

7.2 Any person to whom this Policy applies who becomes aware of information that has the possibility of being Material Information must immediately disclose that information to the Chief Executive Officer or the Chief Financial Officer and the Chief Executive Officer or Chief Financial Officer will advise the Disclosure Committee. Schedule “B” attached lists examples of Material Information.

7.3 Upon the occurrence of any change that may constitute a material change in respect of the Company or upon the Disclosure Committee, the Disclosure Committee, in consultation with such other advisors as it may consider necessary, will:

- consider whether the event constitutes a material change;
- if it does constitute a material change, prepare a press release and a material change report describing the material change as required under applicable securities laws;
- determine whether a reasonable basis exists for filing the material change report on a confidential basis; and
- issue the news release and make the applicable filings.

8. Internet Chat Rooms and Bulletin Boards

8.1 Directors, Officers, Employees and Contractors must not discuss or post any information relating to the Company or any of its subsidiaries or trading in securities of the Company in Internet chat rooms, newsgroups or bulletin boards.

8.2 Directors, Officers, Employees and Contractors must advise the Chief Executive Officer if they are aware of any discussion of information regarding the Company in a chat room, newsgroup or bulletin board.

9. Rumours

The Company will not comment, affirmatively or negatively, on rumours. This also applies to rumours on the Internet. Spokespersons will respond consistently to those rumours, saying “It is our policy not to comment on market rumours or speculation.” If the relevant exchanges or a securities regulatory authority

requests that the Company make a statement in response to a market rumour, the Disclosure Committee will consider the matter and make a recommendation to the Chief Executive Officer as to the nature and context of any response.

10. Website

10.1 The Vice President, Investor Relations of the Company is responsible for creating and maintaining the Company's website. The Company's website must be maintained in accordance with this Policy.

10.2 All information on the Company's website will be retained for a period of the period of time required by applicable law.

10.3 If the Company is considering a distribution of its securities, the content of the website must be reviewed with the Company's legal counsel before and during the offering to ensure compliance with applicable securities laws.

11. Confidentiality of Undisclosed Material Information

11.1 "Undisclosed Material Information" of the Company is Material Information about the Company that has not been "Generally Disclosed", that is, disseminated to the public by way of a press release together with the passage of a reasonable amount of time (24 hours, unless otherwise advised that the period is longer or shorter, depending on the circumstances) for the public to analyze the information.

11.2 Any person to whom this Policy applies and who has knowledge of Undisclosed Material Information must treat the Material Information as confidential until the Material Information has been Generally Disclosed.

11.3 Undisclosed Material Information will not be disclosed to anyone except in the necessary course of business. If Undisclosed Material Information has been disclosed in the necessary course of business, anyone so informed must clearly understand that it is to be kept confidential, and, in appropriate circumstances, execute a confidentiality agreement. Schedule "C" attached lists circumstances where securities regulators believe disclosure may be in the necessary course of business. When in doubt if this Policy applies, consult with the Chief Financial Officer to determine whether disclosure in a particular circumstance is in the necessary course of business. For greater certainty, disclosure to analysts, institutional investors, other market professionals and members of the press and other media will not be considered to be in the necessary course of business. "Tipping", which refers to the disclosure of Undisclosed Material Information to third parties outside the necessary course of business, is prohibited.

11.4 In order to prevent the misuse of inadvertent disclosure of Undisclosed Material Information, the procedures set forth below should be observed at all times:

- documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" that information in the necessary course of business and code names should be used if necessary;
- confidential matters should not be discussed in places where the discussion may be overheard;
- transmission of documents containing Undisclosed Material Information by electronic means will be made only where it is reasonable to believe that the transmission can be made and received under secure conditions; and
- unnecessary copying of documents containing Undisclosed Material Information must be avoided and extra copies of documents must be removed from meeting rooms and work areas at the conclusion of the meeting and must be destroyed if no longer required.

12. Quiet Period

Each period (1) beginning on the first day following the end of each fiscal quarter and each fiscal year, and (2) ending when the earnings for that quarter or year have been Generally Disclosed by way of a press release, will be a “**Quiet Period**”. During a Quiet Period, Spokespersons must not provide any Forward-Looking Information relating to the business and affairs of the Company or any of its subsidiaries, including information relating to expected revenues, net income or profit, earnings per share, expenditure levels and other information commonly referred to as earnings guidance (“**Earnings Guidance**”) or comments with respect to the financial results for the current fiscal quarter or current fiscal year.

Notwithstanding these restrictions, the Company may Generally Disclose Forward-Looking Information during the Quiet Period when the Forward-Looking Information constitutes Undisclosed Material Information. During a Quiet Period, Spokespersons may respond to unsolicited inquiries about information either that is not Material Information or that has been Generally Disclosed.

13. Avoiding Selective Disclosure

13.1 When participating in shareholder meetings, news conferences, analysts’ conferences and private meetings with analysts or institutional investors, Spokespersons must only disclose information that either (1) is not Material Information or (2) is Material Information but has previously been Generally Disclosed. Any selective disclosure of Undisclosed Material Information, including Earnings Guidance, is not permitted.

13.2 If Undisclosed Material Information is inadvertently disclosed, the Disclosure Committee will take immediate steps to ensure that the information is Generally Disclosed and the Company will contact the parties to whom the Material Information was disclosed and inform them: (a) that the information is Undisclosed Material Information, and (b) of their legal obligations with respect to the Material Information.

14. Analyst Reports

14.1 When reviewing analysts’ reports, comments of Directors, Officers, Employees and Contractors must be limited to identifying and or pointing out inaccuracies of factual information that has been Generally Disclosed. No comfort or guidance will be expressed on the analysts’ earnings models or earnings estimates and no attempt will be made to influence an analyst’s opinion or conclusion.

14.2 Analysts’ reports will not be posted on or linked from the Company’s website.

15. Trading of Securities of the Company

15.1 No Person in a Special Relationship with the Company will purchase or sell or otherwise monetize securities of the Company while in possession of Undisclosed Material Information.

15.2 Directors, Officers and those Employees and Contractors who participate in the preparation of the Company’s financial statements or who are privy to material financial information relating to the Company are prohibited from purchasing or selling securities of the Company during the period of time beginning on: (i) the first day on which the relevant exchange is open for trading (a “**Trading Day**”) following the end of a fiscal quarter, or fiscal year end, until the second Trading Day after the financial results for a fiscal quarter or fiscal year end have been disclosed by way of press release (the “**Executive Blackout**”).

15.3 All Employees and Contractors who are not subject to the Executive Blackout are prohibited from purchasing or selling securities of the Company for the period of time beginning on the tenth Trading Day prior to the disclosure of financial results for a fiscal quarter or fiscal year by way of press release until the second Trading Day following such press release (the “**General Blackout**”).

15.4 All Directors, Officers, Employees and Contractors who are so advised by the Disclosure Committee will be prohibited from purchasing or selling securities of the Company during any other period designated by the Disclosure Committee (the “**Specific Blackout**”).

15.5 Notwithstanding Sections 15.2, 15.3 and 15.4, a Director, Officer, Employee and Contractor may purchase or sell securities during any blackout period (an Executive Blackout, a General Blackout or a Specific Blackout, as may be applicable) with the prior written consent of the Chief Financial Officer. The Chief Financial Officer will grant permission to purchase or sell during a blackout period only in the case of unusual, exceptional circumstances. Unusual, exceptional circumstances may include the sale of securities in the case of severe financial hardship or where the timing of the sale is critical for significant tax planning purposes.

15.6 The trading prohibitions in Sections 15.1, 15.2, 15.3 and 15.4 do not apply to the acquisition of securities through the exercise of share options but do apply to the sale of the securities acquired through the exercise of share options.

16. Insider Reports

16.1 An insider (as defined in the Act) of the Company (an “**Insider**”) is required to file an initial insider report within ten (10) days of becoming an Insider and subsequent insider reports within ten (10) days following any trade of securities of the Company (or within the timing otherwise prescribed by applicable securities laws). If an Insider does not own or have control over or direction over securities of the Company, or if ownership or direction or control over securities of the Company remains unchanged from the last report filed, a report is not required.

16.2 If an Insider has questions or requires assistance with the filing of an insider report, such Insider may contact the Corporate Secretary for information.

17. Commitment

To demonstrate our determination and commitment to the purposes of this Policy, the Company asks each Contractor, Employee and Officer review this Policy periodically throughout the year. Take the opportunity to discuss with management any circumstances that may have arisen that could be a breach of this Policy.

Amended and approved by the Board on March 12, 2009 and March 4, 2010
Adopted by the Board on July 8, 2008

**Schedule “A”
Individuals and Entities that this Policy Applies to**

“**Contractors**” means independent contractors (who are engaged in an employee-like capacity) of the Company or any of its subsidiaries;

“**Directors**” means directors of the Company;

“**Employees**” means full-time, part-time, contract or secondment employees of the Company or any of its subsidiaries;

“**Insiders**” means:

1. Directors or Senior Officers of the Company;
2. persons who beneficially own, directly or indirectly, more than 10% of the voting securities of the Company or who exercise control or direction over more than 10% of the votes attached to the voting securities of the Company (“**10% Shareholders**”);
3. directors or Senior Officers of a subsidiary of the Company; or
4. directors or Senior Officers of 10% Shareholders;

“**Officers**” means officers of the Company or any of its subsidiaries;

“**Persons in a Special Relationship with the Company**” means:

1. Directors, Officers, Employees and Contractors;
2. 10% Shareholders;
3. directors, officers, employees and contractors of 10% Shareholders;
4. members of an operating or advisory committee of the Company or any of its subsidiaries;
5. directors, officers, partners and employees of a company that is engaging in any business or professional activity with the Company or any of its subsidiaries and who routinely comes into contact with Material Information;
6. persons or companies that learned of Material Information with respect to the Company from a person or company described in (1) through (5) of this definition and knew or ought reasonably to have known that the other person or company was in such a special relationship; and

“**Senior Officers**” means:

1. The President and Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Executive Vice President and Chief Operating Officer, the Vice President, Investor Relations and Corporate Secretary, or the General Manager of the Company or any of its subsidiaries or any of their operating divisions; or
2. any other individual who performs functions for the Company or any of its subsidiaries similar to those normally performed by an individual occupying any of the offices listed in (1) above.

A company is considered to be a “**Subsidiary**” of another company if it is controlled by (1) that other company, (2) that other and one or more companies, each of which is controlled by that other, or (3) two or more companies, each of which is controlled by that other; or it is a subsidiary of a company that is that other’s subsidiary. In general, a company will control another company when the first company owns more than 50% of the outstanding voting securities of that other company.

Schedule “B”
Examples of Information that May Be Material

Changes in corporate structure

- changes in share ownership that may affect control of the company
- changes in corporate structure such as capital reorganizations, amalgamations or mergers
- a change of name
- take-over bids, issuer bids or insider bids

Changes in capital structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of common shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange or stock dividend
- changes in a company’s dividend payments or policies
- the possible initiation of a proxy fight
- material modifications to the rights of security holders
- any acquisitions or disposition of a company’s own securities

Changes in financial results

- a significant increase or decrease in near-term earnings prospects
- unexpected changes in the financial results for any period
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the company’s assets
- any material change in the company’s accounting policies

Changes in business and operations

- any development that affects the company’s resources, technology, products or markets
- a significant change in capital investment plans or corporate objectives
- major labour disputes or disputes with major contractors or suppliers
- significant new contracts, products, patents, or services or significant losses of contracts or business
- significant discoveries by resource companies
- changes to the board of directors or executive management, including the departure of the company’s Chair, CEO, CFO, COO or president (or persons in equivalent positions)
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for officers, directors and other key employees

- any notice that reliance on a prior audit is no longer permissible
- de-listing of the company's securities or their movement from one quotation system or exchange to another
- the results of any asset or property development, discovery or exploration by a mining or oil and gas company, whether positive or negative
- the de-listing of a company's securities or their movement from one quotation system or exchange to another
- any oral or written agreement to enter into any management contract, investor relations agreement, service agreement not in the normal course of business, or related party transaction, including a transaction involving non-arms length parties

Acquisitions and dispositions

- significant acquisitions or dispositions of assets, property or joint venture interests
- acquisitions of other companies, including a take-over bid for, or merger with, another company
- a reverse take-over, change of business or other material information relating to the business, operations or assets of a company

Changes in credit arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the company's assets
- defaults under debt obligations, agreements to restructure debt, or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements

Schedule “C”

Examples of Disclosures that May Be Necessary in the Course of Business

1. Disclosure to:

- vendors, suppliers, or strategic partners on issues such as research and development, sales and marketing, and supply contracts
- employees, officers and directors
- lenders, legal counsel, auditors, underwriters, and financial and other professional advisors to the Company
- parties to negotiations
- labour unions and industry associations
- government agencies and non-governmental regulators
- 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)

2. Disclosures in connection with a private placement

3. Communications with controlling shareholders, in certain circumstances