

STUDENT TRANSPORTATION INC.

DISCLOSURE POLICY

The following disclosure policy was adopted by the board of directors of Student Transportation Inc. (the “**Issuer**”) on September 21, 2006.

As a public entity, material information with respect to the Issuer and its respective subsidiaries must be disclosed to the public promptly and in a consistent manner. This obligation reflects the basic principle of securities regulation that all persons investing in securities should have equal access to information that may affect their investment decisions. The purpose of this policy is to establish a procedure for determining how material information is to be disclosed or disseminated. The following guidelines shall govern the disclosure process for the Issuer:

1. A material change (described below) in the affairs of the Issuer, whether favourable or unfavourable, must be disclosed to the public promptly and completely through a press release. With respect to the Issuer, the directors of the Issuer (the “**Directors**”) in consultation with management shall ultimately determine if a material change has occurred. Any press release disclosing a material change shall be circulated in advance to the Directors if not previously reviewed by them. Announcements of material changes must be factual and balanced.
2. When the Toronto Stock Exchange (“**TSX**”) is open for trading, prior notice of a press release announcing material information must be provided to the Market Surveillance Division of the TSX which will determine if a halt in trading is necessary to provide time for the market to digest the news. If a press release announcing material information is issued outside of trading hours, Market Surveillance at the TSX should be notified before the market opens.
3. Disclosure of a material change must include any information the omission of which would make the rest of the disclosure misleading. Sufficient detail to enable the media and investors to understand the substance and importance of the change should be disclosed.
4. Selective disclosure is prohibited. Previously undisclosed material information should not be disclosed to selected individuals such as analysts or institutional investors holding securities of the Issuer. In the event of inadvertent selective disclosure, the TSX should be contacted requesting a trading halt pending a press release and the information disclosed must be disseminated to the general public immediately.
5. Disclosure must be updated if earlier public disclosure becomes misleading in a material respect as a result of intervening events. In this regard, also see paragraph 14 below.

6. If material information is to be announced at an analyst meeting, a meeting of securityholders or a press conference, its announcement must be coordinated with the general public announcement by way of a press release.
7. Only non-material information and publicly disclosed information may be disclosed at private analyst briefing or meetings.
8. The following disclosure model should, if appropriate, be used when making a planned disclosure of material information, such as a scheduled earnings release:
 - (i) issue a news release through a widely circulated news or wire service;
 - (ii) provide advance public notice by news release of the date and time of a conference call, if any, to discuss information, the subject matter of the call and the means for accessing it;
 - (iii) hold a conference call in an open manner, permitting investors and others to listen either by telephone or through internet webcasting; and
 - (iv) provide dial-in and/or web replay or make transcripts of the call available for a reasonable period of time after the analyst conference call.
9. Analysts' conference calls and industry conferences should be held in an open manner, allowing any interested party to listen either by telephone and/or through a webcast. Issuer officials should meet before an analysts' conference call, private analysts' meeting or industry conference and, where practicable, statements and responses to anticipated questions should be scripted in advance and reviewed by the chairman of the board of Directors and/or the chairman of the Audit Committee, if appropriate, of the Issuer and/or the Chief Executive Officer or Chief Financial Officer of the Issuer.
10. Detailed records and/or transcripts of any conference call meeting or conference must be maintained and reviewed to ensure no unintentional selective disclosure of material non-public information has been made.
11. The Audit Committee of the Issuer and if determined by such committee, the Directors, must review: (i) earnings guidance disclosures; and (ii) news releases containing financial information based on the Issuer's financial statements prior to the release of such statements.
12. Where feasible, an earnings news release should be issued concurrently with the filing of the corresponding quarterly or annual financial statements.
13. Any review of an analyst's report concerning the Issuer should be limited to reviewing factual information to point out inaccuracies with respect to, or omissions from, recently released public information or to identify recently disclosed factual information that may affect the analyst's model and should not confirm the analyst's estimate or that any estimate is too high or too low, whether directly or indirectly through implied guidance. Analysts' reports on the Issuer should not be posted on the Issuer's website or distributed

by any director, officer or employee of the Issuer or its subsidiaries to people outside the Issuer.

14. When providing forward-looking information, it should clearly be indicated that, except as expressly required by applicable law, the Issuer undertakes no obligation to publicly update or revise any forward-looking statement, either as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events prove past statements to be materially off-target, the Issuer should give consideration to issue a news release explaining the reasons for the difference and updating its guidance on the anticipated impact on revenue and earnings.
15. From the close of business on the last day of the month of the fiscal quarter, or year, as applicable, until 2 business days following the Issuer's widespread public release of quarterly or year-end operating results, no director, officer, or employee should discuss or comment to outsiders on the status of the most recent quarter or year's operations or their expected results or make any comments to outsiders as to whether the Issuer will meet, exceed or fall short of any earnings estimates made.
16. If material information has been leaked and appears to be affecting trading activity in the Issuer's securities, immediate steps should be taken to ensure that a full public announcement is made, including contacting the TSX and asking that trading be halted pending the issuance of a news release.
17. It is generally the Issuer's policy not to comment on market rumours.

Until determined otherwise by the Directors, Denis Gallagher (the Chief Executive Officer of the Issuer) and/or, at the CEO's discretion, the Chief Financial Officer of the Issuer (Patrick Walker) and/or the Director of Investor Relations (Keith P. Engelbert) shall be the designated contact person for communication with analysts, the news media and investors. All other employees who receive requests for undisclosed information should refer such requests to such officer and avoid answering any questions about the Issuer.

A "material change" in the affairs of the Issuer means a change in the business, operations or capital of the Issuer or its subsidiaries that could reasonably be expected to have a significant effect on the market price or value of the securities of the Issuer. A "material change" includes a decision to make such a change by the board of Directors. 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 Issuer's securities. Material facts and material changes are collectively referred to in this policy as "material information". While it is not possible to identify all information that would reasonably be considered to be "material", the following types of information, whether positive or negative, would ordinarily be considered material:

- Any information that results, or could reasonably be expected to result, in a significant change in the market price or value of any of the Issuer's securities.
- Any information that there is a substantial likelihood would be considered by a reasonable securityholder to be important in making an investment decision in relation to the Issuer's securities.

- Financial performance of the Issuer and its subsidiaries.
- Significant changes in corporate structure, such as reorganizations, etc. among or involving the Issuer and its subsidiaries.
- Significant acquisitions and dispositions by the Issuer and its subsidiaries.
- Material developments relating to management agreements.
- Significant changes in management.
- Major labour disputes or disputes with major customers or suppliers.
- Changes in ownership of securities of the Issuer which may affect control.
- Public issuances of securities.
- Significant changes in the availability of financing for operating or capital requirements.
- Actual or threatened significant litigation involving the Issuer and its subsidiaries, or the resolution of such litigation.

Information generally is “non-public” if it has not been widely disseminated through a major newswire service, national news service or financial service.

This disclosure policy should be reviewed annually, and updated and re-approved, as necessary, by the Board of Directors, upon the advice of the Chief Executive Officer and Chief Financial Officer of the Issuer. The Chief Executive Officer and Chief Financial Officer of the Issuer shall be responsible for:

- (i) implementing the disclosure policy;
- (ii) monitoring the effectiveness of, and compliance with, the disclosure policy;
- (iii) ensuring that the Issuer and its subsidiaries’ directors, officers and certain employees are educated with respect to disclosure issues and this disclosure policy;
- (iv) reviewing and authorizing disclosure of any material information to be made public (including electronic, written and oral disclosure) in advance of its public release; and
- (v) monitoring the Issuer’s website on a regular basis to ensure that: the website is up to date and accurate; all material information is dated when posted or modified; outdated information is moved to an archive; the archived material is retained for six years; all documents filed on SEDAR are concurrently posted to the website; and all material supplemental information given to analysts, investors and other market professionals are also posted on the website.

This policy may not cover all circumstances, and exceptions may be justified from time to time. This policy should be read in conjunction with the Issuer's insider trading policy and code of conduct.

Any questions and all requests for exceptions from this policy should be made to the Chief Executive Officer and the Chief Financial Officer of the Issuer, who will determine whether it is appropriate to vary the policy in such circumstances.