

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the Belden Offer described in this Directors' Circular, you should consult with your investment dealer, stockbroker, lawyer or other professional advisor. Enquiries concerning information in this document should be directed to Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com.



DIRECTORS' CIRCULAR

RECOMMENDING

REJECTION

OF THE UNSOLICITED OFFER BY

BELDEN CDT (CANADA) INC.

TO PURCHASE ALL OF THE ISSUED AND OUTSTANDING COMMON SHARES

OF

RUGGEDCOM INC.

RECOMMENDATION TO SHAREHOLDERS

The Board of Directors of RuggedCom UNANIMOUSLY Recommends that Shareholders REJECT the Belden Offer and NOT TENDER their Shares.

Any Shareholder who has tendered his or her Shares under the Belden Offer should WITHDRAW those Shares.

January 4, 2012



January 4, 2012

Dear Fellow RuggedCom Shareholder:

After a thorough review of Belden Inc.'s unsolicited offer to acquire RuggedCom Inc. (the "Belden Offer"), the RuggedCom Board of Directors **unanimously recommends** that you **reject** the Belden Offer and **not tender** your shares. The RuggedCom Board believes the Belden Offer fails to compensate shareholders for RuggedCom's strong prospects for continued growth, profitability and shareholder value creation, and is highly opportunistic and conditional to the benefit of Belden shareholders.

This letter forms part of a Directors' Circular outlining the RuggedCom Board's recommendation. I strongly encourage you to review it carefully, particularly the sections entitled "Reasons for Unanimous Rejection" (page 3) and "Background to the Belden Offer" (page 14).

As you may be aware, the RuggedCom Board formed a special committee of independent directors in mid December in response to the Belden Offer. In fulfilling its duties to RuggedCom, the Special Committee, with the assistance of its financial advisor, TD Securities, is now aggressively exploring and evaluating alternatives to the Belden Offer in order to determine the alternative that is in the best interests of RuggedCom and its shareholders. RuggedCom has been solicited by and has initiated contact with numerous third parties who have expressed an interest in pursuing an alternative transaction with RuggedCom. A number of these third parties have entered into non-disclosure and standstill agreements with RuggedCom, and have begun a due diligence review of confidential financial, operating and other relevant information relating to RuggedCom contained in a "data room" established for this purpose.

While there can be no assurance that any financially superior alternative will emerge from the process, the Board believes that the ongoing process undertaken by the Special Committee demonstrates that RuggedCom and its assets are highly strategic and attractive to various third parties that are in a position to propose a financially superior alternative to the Belden Offer. Tendering your shares to the Belden Offer before the Special Committee has had an opportunity to fully explore all available alternatives to the Belden Offer may preclude the possibility of a financially superior alternative.

RuggedCom has established a leading position in attractive markets, demonstrated a consistent track record of solid financial results and execution, including 27 consecutive quarters of trailing four quarter revenue growth, and successfully made significant investments in new areas of its business, most notably WiNetworks Ltd., a leader in mobile broadband wireless technology, that are now well positioned for growth and long-term profitability. The Belden Offer is highly opportunistic from a timing and share price perspective and fails to adequately compensate RuggedCom shareholders for the company's future prospects.

The RuggedCom Board (which, together owns 13% of RuggedCom's shares, on a fully-diluted basis) is unanimous in its belief that the Belden Offer does not serve your best interests as a RuggedCom shareholder, and it urges you to reject the offer and not tender your shares.

REJECT THE INADEQUATE BELDEN OFFER AND DO NOT TENDER YOUR SHARES

Shareholders with questions about the Directors' Circular or who may have already tendered their shares to the Belden Offer and wish to withdraw them are asked to contact RuggedCom's information agent, Georgeson Shareholder Communications Canada Inc., at 1-866-374-9877 or askus@georgeson.com.

Thank you for your continued support of RuggedCom.

Sincerely,

"Peter Crombie"

Peter Crombie
Chairman of the Board of Directors
RuggedCom Inc.

QUESTIONS AND ANSWERS ABOUT THE UNSOLICITED BELDEN OFFER

Capitalized terms used but not defined herein have the meanings given to such terms in the Directors' Circular.

1. **Should I accept or reject the unsolicited Belden Offer?**

The RuggedCom Board of Directors views the Belden Offer as offering inadequate consideration to Shareholders and, on the unanimous recommendation of the Special Committee, **UNANIMOUSLY** recommends that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer. RuggedCom's directors and officers who own or exercise control or direction over an aggregate of 2,149,607 Shares on a fully-diluted basis, representing 16.1% of the Shares on a fully-diluted basis, intend to **REJECT** the Belden Offer.

2. **Why does the Board of Directors believe that the Belden Offer should be rejected?**

The Board of Directors, on the unanimous recommendation of the Special Committee, **UNANIMOUSLY** believes that the Belden Offer is inadequate and **NOT** in the best interests of RuggedCom or its Shareholders. The Board of Directors took into account numerous factors in reaching its **UNANIMOUS** recommendation that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer, including the following:

- The Belden Offer substantially undervalues RuggedCom and does not reflect RuggedCom's strong prospects for continued growth, profitability and Shareholder value creation;
- Superior proposals providing greater value to Shareholders may emerge as a result of the Special Committee's active value maximization process;
- The timing of the Belden Offer is highly opportunistic and disadvantageous to Shareholders;
- Market sentiment supports the financial inadequacy of the Belden Offer, including the fact that the offer represents a discount to the current market price of the Shares;
- The Belden Offer is highly conditional for the benefit of Belden shareholders; and
- RuggedCom's directors and officers who own or exercise control or direction over an aggregate of 2,149,607 Shares on a fully-diluted basis, representing 16.1% of the Shares on a fully-diluted basis, intend to **REJECT** the Belden Offer.

Shareholders are strongly encouraged to carefully review the full explanation of the reasons for the Board of Directors' recommendation set out under the headings "Unanimous Recommendation of the Board of Directors" and "Reasons for Unanimous Rejection" in this Directors' Circular, including the written Inadequacy Opinion of TD Securities, dated January 3, 2012, that, based on and subject to the scope of review, assumptions and limitations and other matters described therein, as of the date of the Inadequacy Opinion, the consideration being offered to Shareholders pursuant to the Belden Offer is inadequate, from a financial point of view, to Shareholders. The Inadequacy Opinion was provided for the benefit of the Special Committee and the Board in connection with their consideration of the Belden Offer. The Inadequacy Opinion does not constitute a recommendation to Shareholders as to whether they should tender their Shares to the Belden Offer. The full text of TD Securities' Inadequacy Opinion, setting out the scope of review, assumptions, limitations and qualifications, is attached as Appendix "B" to this Directors' Circular and should be reviewed and considered in its entirety in conjunction with this Directors' Circular.

3. **What is the Board of Directors doing in response to the unsolicited Belden Offer?**

In response to the Belden Offer, the Board of Directors has appointed a special committee. In fulfilling its duties to RuggedCom, the Special Committee, with the assistance of its financial advisor, TD Securities, is aggressively

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

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exploring and evaluating alternatives to the Belden Offer in order to determine the alternative that is in the best interests of RuggedCom and its Shareholders.

RuggedCom has been solicited by and has initiated contact with numerous third parties who have expressed an interest in pursuing an alternative transaction with RuggedCom. A number of these third parties have entered into non-disclosure and standstill agreements with RuggedCom, and have begun a due diligence review of confidential financial, operating and other relevant information relating to RuggedCom contained in a "data room" established for this purpose. While there can be no assurance that any financially superior alternative will emerge from the process, the Board believes that the ongoing process undertaken by the Special Committee demonstrates that RuggedCom and its assets are highly strategic and attractive to various third parties that are in a position to propose a financially superior alternative to the Belden Offer.

4. How do I reject the unsolicited Belden Offer?

You do not need to do anything. **DO NOT** tender your Shares to the Belden Offer.

5. Can I withdraw my Shares if I have already tendered?

YES. If you have already tendered your Shares to the Belden Offer, the Board of Directors recommends that you **WITHDRAW** any tendered Shares immediately. As described in the Belden Circular, you can withdraw your Shares as follows:

- (a) at any time before your Shares have been taken up and paid for by Belden;
- (b) if your Shares have not been paid for by Belden within three business days after having been taken up by Belden; and
- (c) in certain other circumstances as described under "How to Withdraw your Deposited Shares" in this Directors' Circular.

6. How do I withdraw my Shares?

RuggedCom recommends you contact your broker or Georgeson, the information agent retained by RuggedCom, at the number or e-mail address listed below, for information on how to withdraw your Shares.

7. My broker advised me to tender my Shares. Should I?

NO. The RuggedCom Board of Directors has **UNANIMOUSLY** recommended that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer.

8. Do I have to decide now?

NO. You do not have to take any action at this time. The Belden Offer is scheduled to expire at 6:00 p.m. (Toronto time) on January 25, 2012, and is subject to a number of conditions that have yet to be satisfied. The Board of Directors recommends that you **DO NOT TAKE ANY ACTION** until closer to the expiry date of the Belden Offer to ensure that you are able to consider all of the options available to you.

To **REJECT** the Belden Offer you need not do anything. If you have already tendered your Shares to the Belden Offer, the Board of Directors recommends that you **WITHDRAW** any tendered Shares immediately. If you decide to withdraw these Shares from the Belden Offer, you must allow sufficient time to complete the withdrawal process prior to the expiry of the Belden Offer. For more information on how to withdraw your Shares, you should contact

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your broker or Georgeson, the information agent retained by RuggedCom, at the number or e-mail address listed below. Alternatively, see "How to Withdraw Your Deposited Shares" in this Directors' Circular.

9. Who do I ask if I have more questions?

The Board of Directors recommends that you read the information contained in this Directors' Circular carefully. You should contact Georgeson, the information agent retained by RuggedCom, with any questions or requests for assistance that you might have.

Georgeson

North American Toll Free Number: 1-866-374-9877

Email: askus@georgeson.com

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FORWARD-LOOKING STATEMENTS

This Directors' Circular contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Forward-looking statements include all disclosure regarding possible events, conditions, results of operations, or the Belden Offer that is based on assumptions about future economic conditions and courses of action. RuggedCom cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Forward-looking statements are based on RuggedCom's current plans, estimates, projections, beliefs and opinions, and RuggedCom does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change, except as required by law. When used in this Directors' Circular, words such as "plans", "expects", "intends", "anticipates", "will", "believes" or variations of such words and phrases often, but not always, identify forward-looking statements. The forward-looking information in this document includes, but is not limited to, expectations respecting RuggedCom's prospects for continued growth, profitability and shareholder value creation; statements respecting execution of RuggedCom's strategic plan; the consequences of the Belden Offer; the availability of superior offers or alternatives emerging from RuggedCom's value maximization process; and the availability of synergies to potential acquirors of RuggedCom. Although RuggedCom believes that the expectations reflected in such forward-looking statements are reasonable, all forward-looking information is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. The factors which could cause actual results or events to differ materially from current expectations include, but are not limited to: the ability of RuggedCom to successfully implement its value maximization process and whether such process will yield an alternative transaction; the circumstances of any party interested in a potential acquisition of RuggedCom or other alternative transaction involving RuggedCom; actions taken by Belden; actions taken by Shareholders in respect of the Belden Offer; the possible effect of the Belden Offer on RuggedCom's business; increased efforts by competitors to compete in RuggedCom's markets; continued growth in RuggedCom's key markets; RuggedCom's ability to manage its growth; RuggedCom's dependence on the electric power industry; the impact of the global financial crisis; foreign currency fluctuations; RuggedCom's ability to identify suitable acquisitions at reasonable prices and its ability to manage their integration; changes in environmental and other regulation; RuggedCom's reliance on key personnel; RuggedCom's reliance on third-party suppliers, contract manufacturers and channel partners; RuggedCom's ability to protect its intellectual property; rapid technological change; potential product liability claims; RuggedCom's dependence on certain licensed intellectual property; potential infringement by RuggedCom of third party intellectual property rights; and other factors identified under the headings "Risks and Uncertainties" in RuggedCom's management's discussion and analysis for the second quarter ended September 30, 2011, dated November 8, 2011, and "Risk Factors" in RuggedCom's annual information form dated June 15, 2011, each filed on SEDAR at www.sedar.com.

NOTICE TO NON-CANADIAN RESIDENTS

The Belden Offer is made for the securities of RuggedCom, a Canadian issuer, and while the offer is subject to disclosure requirements of Canada, investors should be aware that these requirements are different from those of the United States and other non-Canadian jurisdictions. The enforcement by non-Canadian investors of civil liabilities under the United States federal securities laws, or under other non-Canadian laws, may be affected adversely by the fact that RuggedCom is a Canadian corporation and that a majority of its officers and directors are resident in Canada.

NOTICE REGARDING INFORMATION

RuggedCom is a reporting issuer all provinces of Canada and files its continuous disclosure documents and other documents with the Canadian securities regulatory authorities in each such province. Certain information in this Directors' Circular that is contained in documents filed, or specified as having been filed, on SEDAR is qualified in its entirety by reference to the complete text of such documents as filed on SEDAR at www.sedar.com.

Information contained in this Directors' Circular concerning Belden and its affiliates and the Belden Offer, including forward-looking statements or information, is based solely upon, and the Board of Directors has relied, without

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independent verification, exclusively upon, information contained in the Belden Circular, provided to RuggedCom by Belden or its affiliates, or that is otherwise publicly available. Neither RuggedCom nor any of its officers or directors assumes any responsibility for the accuracy or completeness of such information. The terms and conditions of the Belden Offer, the method of acceptance of the Belden Offer and other information relating to the Belden Offer are set out in the Belden Offer, the Belden Circular that accompanies and forms part of the Belden Offer, and the letter of transmittal and the notice of guaranteed delivery that accompany the Belden Offer.

CURRENCY

Unless otherwise indicated, all amounts in this Directors' Circular are expressed in Canadian dollars. On January 3, 2012, the noon rate of exchange as reported by the Bank of Canada was C\$1 = US\$0.9911, and US\$1 = C\$1.0090.

ENQUIRIES

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the Belden Offer, you should consult with your investment dealer, stockbroker, lawyer or other professional advisor. **Enquiries concerning information in this document should be directed to RuggedCom's information agent, Georgeson, at 1-866-374-9877 or askus@georgeson.com.**

NON-IFRS MEASURES

Enterprise Value ("EV"), which represents the cash-less value of a firm as an asset, and earnings before interest, taxes, depreciation and amortization ("EBITDA") are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other reporting issuers. Except as described under "The Belden Offer aims to take advantage of RuggedCom's depressed valuation", all EV and EBITDA data relating to RuggedCom presented herein is sourced from publicly available information obtained from Capital IQ, Inc. ("Capital IQ"), a third-party provider of financial and market data, and may differ from EV or EBITDA as reported in RuggedCom's public disclosure. Information regarding the composition of EV and EBITDA figures presented herein can be obtained from Capital IQ. Readers are cautioned that non-IFRS measures, such as those presented herein, should not be construed as an alternative to measures determined in accordance with IFRS.

INDUSTRY DATA

Market data and industry forecasts used in this Directors' Circular were obtained from various industry and publicly available sources. Although RuggedCom believes that these independent sources are generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

Market forecasts, in particular, are likely to be inaccurate, especially over long periods of time. Certain data is also based on management estimates, which are derived from our review of internal information as well as other independent sources. References in this Directors' Circular to certain reports and studies should not be construed as depicting the complete findings of the entire referenced report or study. The information in each such report or study is not incorporated by reference into this Directors' Circular.

References in this Directors' Circular to "ARC Advisory Group", "Capital IQ", "Bloomberg" and "GlobalData" refer to ARC Advisory Group, Capital IQ, Bloomberg L.P. and GlobalData Ltd., respectively.

ARC Advisory Group is a United States based advisory and consulting services firm specializing in manufacturing, logistics and supply chain solutions. Capital IQ and Bloomberg are each recognized third-party providers of financial and market data. GlobalData is a business information company, which provides business information reports and services.

Each of ARC Advisory Group, Capital IQ, GlobalData and Bloomberg are independent of RuggedCom.

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SUMMARY

The information set out below is intended as a summary only and is qualified in its entirety by the more detailed information appearing elsewhere in this Directors' Circular. This Directors' Circular should be read carefully and in its entirety as it provides important information regarding RuggedCom and the Belden Offer. All capitalized terms used in this Summary have the meanings set forth under "Glossary of Terms", which is attached as Appendix "A" to this Directors' Circular.

**Unanimous
Recommendation of the
Board of Directors:**

REJECT THE BELDEN OFFER AND DO NOT TENDER YOUR SHARES TO THE BELDEN OFFER.

The Board has carefully considered all aspects of the Belden Offer, the unanimous recommendation of the Special Committee, the Inadequacy Opinion of TD Securities and a number of factors, including those referred to under "Reasons for Unanimous Rejection", and **UNANIMOUSLY** recommends that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer.

The Belden Offer:

Belden has made an unsolicited offer by way of a take-over bid to purchase all of the issued and outstanding common shares of RuggedCom for \$22.00 per Share in cash, upon the terms and subject to the conditions set forth in the offer to purchase accompanying the Belden Circular.

AS THE BELDEN OFFER IS OPEN UNTIL 6:00 P.M. (TORONTO TIME) ON JANUARY 25, 2012, THERE IS NO NEED FOR SHAREHOLDERS TO TAKE ANY ACTION AT THIS TIME.

**Reasons for Unanimous
Rejection:**

The Board of Directors, on the unanimous recommendation of the Special Committee, **UNANIMOUSLY** believes that the Belden Offer is inadequate and **NOT** in the best interests of RuggedCom or its Shareholders. The Board of Directors took into account numerous factors in reaching its **UNANIMOUS** recommendation that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer, including the following:

- The Belden Offer substantially undervalues RuggedCom and does not reflect RuggedCom's strong prospects for continued growth, profitability and Shareholder value creation;
- Superior proposals providing greater value to Shareholders may emerge as a result of the Special Committee's active value maximization process;
- The timing of the Belden Offer is highly opportunistic and disadvantageous to Shareholders;
- Market sentiment supports the financial inadequacy of the Belden Offer, including the fact that the offer represents a discount to the current market price of the Shares;
- The Belden Offer is highly conditional for the benefit of Belden shareholders;

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

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- RuggedCom's directors and officers who own or exercise control or direction over an aggregate of 2,149,607 Shares on a fully-diluted basis, representing 16.1% of the Shares on a fully-diluted basis, intend to **REJECT** the Belden Offer.

Rejection of Belden Offer:

To **REJECT** the Belden Offer, you need not do anything. If you have already tendered your Shares to the Belden Offer, the Board of Directors recommends that you **WITHDRAW** any tendered Shares immediately. If you decide to withdraw these Shares from the Belden Offer, you must allow sufficient time to complete the withdrawal process prior to the expiry of the Belden Offer. For more information on how to withdraw your Shares, you should contact your broker or Georgeson, the information agent retained by RuggedCom. An e-mail address and phone number at which you may contact Georgeson is on the back page of this Directors' Circular. Alternatively, see "How to Withdraw Your Deposited Shares" in this Directors' Circular.

IF YOU HAVE NOT YET TENDERED YOUR SHARES TO THE BELDEN OFFER YOU DO NOT NEED TO DO ANYTHING TO REJECT THE BELDEN OFFER

IF YOU HAVE TENDERED YOUR SHARES TO THE BELDEN OFFER, YOU CAN WITHDRAW THEM UNTIL THEY ARE TAKEN UP AND PAID FOR UNDER THE BELDEN OFFER AND IN CERTAIN OTHER CIRCUMSTANCES. SEE "HOW TO WITHDRAW YOUR DEPOSITED SHARES" IN THIS DIRECTORS' CIRCULAR OR CONTACT GEORGESON

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

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DIRECTORS' CIRCULAR

This Directors' Circular is issued by the Board of Directors in connection with the unsolicited offer made on December 20, 2011 by Belden to purchase all of the outstanding Shares of RuggedCom at a price in cash of \$22.00 per Share.

All capitalized terms used, but not otherwise defined, in this Directors' Circular have the meanings set forth in Appendix "A" to this Directors' Circular. Information contained in this Directors' Circular is given as of January 4, 2012 unless otherwise specifically stated.

Enquiries concerning the information in this Directors' Circular should be directed to RuggedCom's information agent, Georgeson, at 1-866-374-9877 or askus@georgeson.com.

UNANIMOUS RECOMMENDATION OF THE BOARD OF DIRECTORS

The Board of Directors has determined that the Belden Offer is inadequate and that the Belden Offer is **NOT** in the best interests of RuggedCom or its Shareholders.

The Board of Directors UNANIMOUSLY recommends that Shareholders REJECT the Belden Offer and NOT TENDER their Shares to the Belden Offer.

In making such determinations and recommendations, the Board has carefully considered all aspects of the Belden Offer, the unanimous recommendation of the Special Committee, the Inadequacy Opinion of TD Securities and a number of other factors, including those referred to under "Reasons for Unanimous Rejection" below.

REASONS FOR UNANIMOUS REJECTION

The Board of Directors **UNANIMOUSLY** recommends that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer. In making this recommendation, the Board has carefully considered all aspects of the Belden Offer and the unanimous recommendation of the Special Committee, which determined, based on the considerations below and after receiving advice from its financial and legal advisors, that the Belden Offer is not in the best interests of RuggedCom or its Shareholders. In unanimously reaching its conclusion, the Board considered, among other things, the following significant factors:

1. The Belden Offer substantially undervalues RuggedCom

- (a) The Belden Offer substantially undervalues RuggedCom and does not reflect RuggedCom's strong prospects for continued growth, profitability and shareholder value creation*

RuggedCom has demonstrated a consistent track record of solid financial results and execution, has established a leading position in several attractive markets, and has made significant investments in new businesses. The Board believes that Shareholders can realize substantial value as the management team of RuggedCom continues to execute on its stated strategy. The Belden Offer does not compensate Shareholders for the inherent value from growth opportunities in RuggedCom's industrial Ethernet hardware business and the substantial future potential of RuggedCom's early stage wireless and software businesses.

RuggedCom has had a consistent track record of growth in revenue and orders, which have grown at annual compound rates from fiscal 2006 to fiscal 2011 of 48% and 47%, respectively. In addition, RuggedCom has continued to increase its customer base over that period, adding an average of 347 new customers each year.

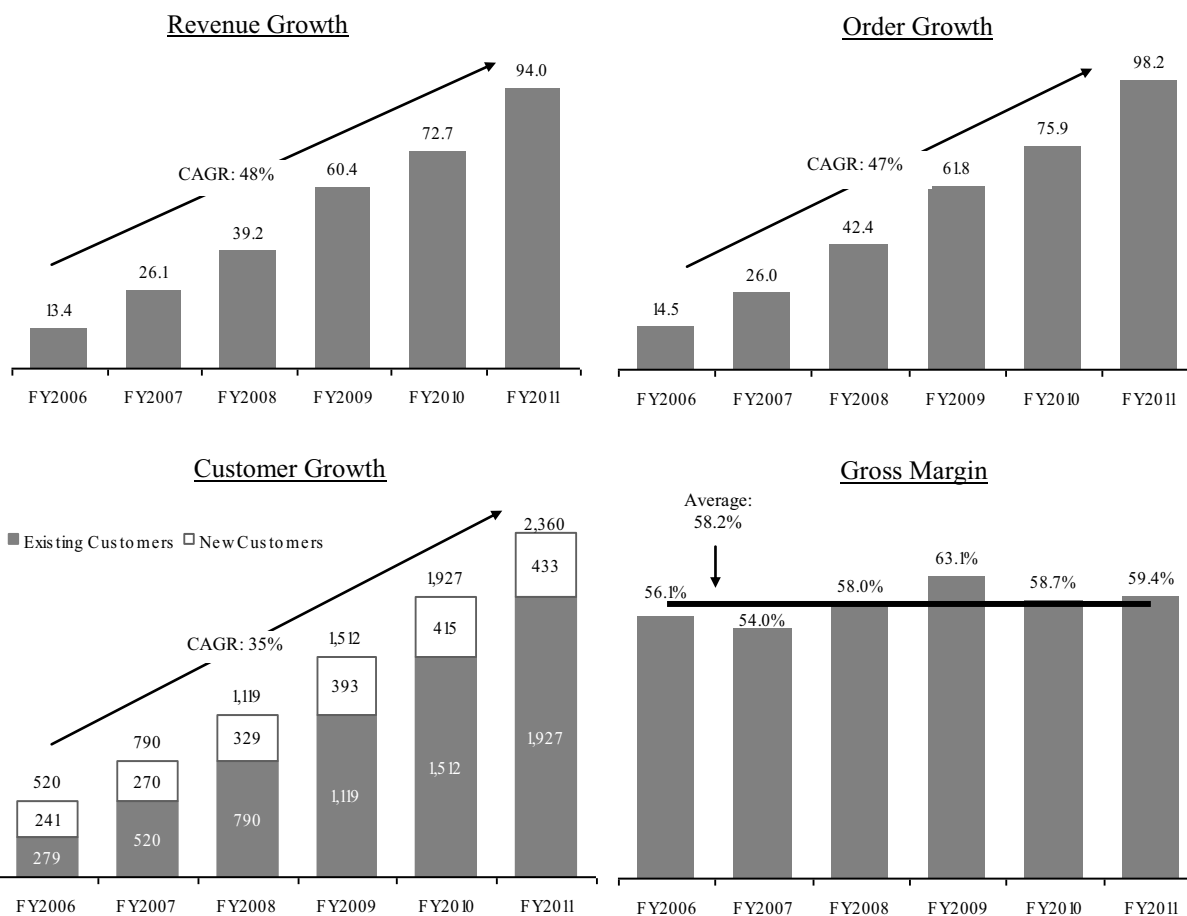
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RuggedCom has achieved this solid growth while preserving its gross margins. New product offerings and expanding end-market applications have contributed to RuggedCom's rapid growth and the Board believes that such growth will continue for the foreseeable future. Additionally, RuggedCom is expanding its geographical footprint into the high growth countries of Brazil, Russia, India and China, which represented 21% of fiscal 2011 revenue.

Track Record of Growth

(\$US millions, except number of customers and percentages)



RuggedCom has achieved 27 consecutive quarters of trailing four quarter revenue growth. In addition, RuggedCom's trailing four quarter orders have consistently outpaced trailing revenue on the same basis, which the Board believes highlights the strength of RuggedCom's order backlog and contributes to RuggedCom's expectation of accelerating revenue growth going forward.

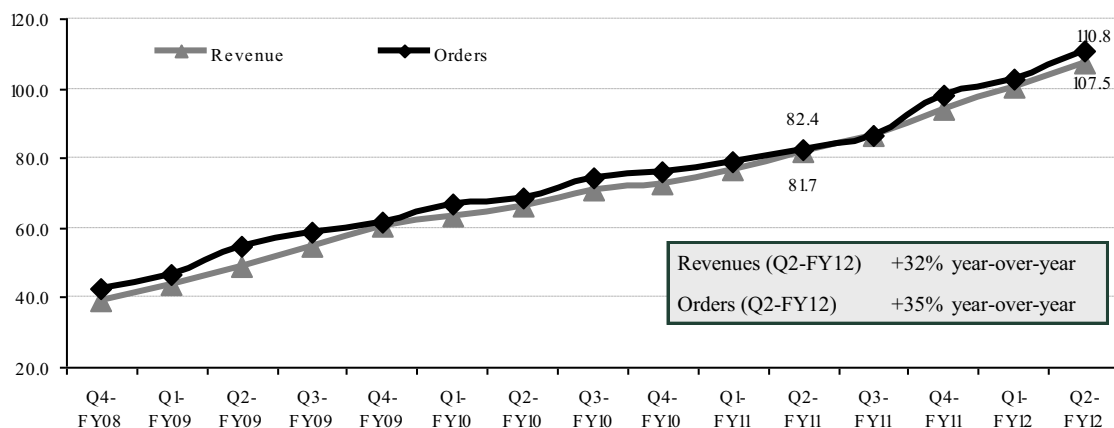
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The following table sets out RuggedCom's trailing four quarter revenue and order growth for the fiscal periods indicated.

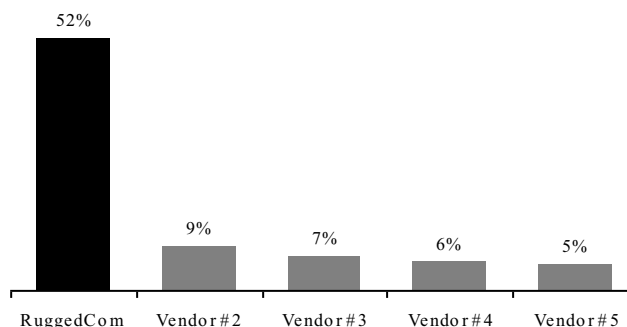
Trailing Four Quarter Revenue and Orders

(\$US millions)



RuggedCom has a leading market position in high growth markets, including the Electric Power Transmission and Distribution ("T&D") sector of the Industrial Ethernet Switches market. As announced in RuggedCom's May 27, 2010 press release, ARC Advisory Group issued a study in 2010 that estimated RuggedCom's share of the Electric Power T&D market to be 52.4%. The Board believes that RuggedCom has captured significant market share in this sector in recent years at the expense of its competitors, including Belden, which highlights RuggedCom's ability to capitalize on smart grid deployments and provide market leading solutions to utility and OEM customers. The Board expects this sector to continue to experience double-digit growth in the near-term.

Market Share - Industrial Ethernet Switches for Electric Power Transmission and Distribution (2009)



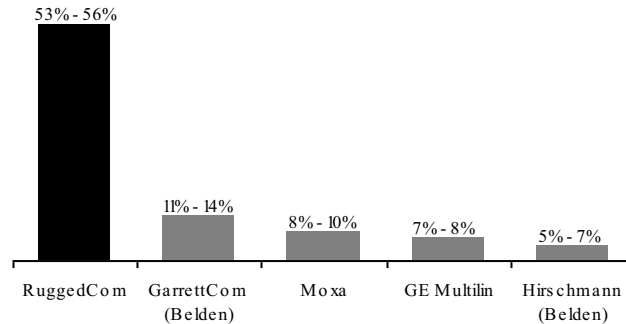
Source: ARC Advisory Group – Industrial Ethernet Switches Worldwide Outlook (2010).

The Board believes that RuggedCom's growth prospects will strongly benefit from its exposure to the global shift towards smart grid power infrastructure. Aging infrastructure in North America, growth in emerging markets and increased smart grid deployments globally drive substation and distribution automation. As the table below indicates, RuggedCom has the leading position in this segment of the smart grid market where it has captured more than 50% of the global market share. In addition, the Board believes that RuggedCom is well positioned to exploit future demand in its niche of the burgeoning smart grid space.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

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Global Smart Grid Routers and Switches Market Share



Source: GlobalData "IEC 61850 Routers and Switches in Smart Grids: Opportunity Analysis to 2015" – January 2010.

In addition to RuggedCom's industrial Ethernet hardware business, the Board believes that RuggedCom's wireless and software businesses are in the early stages of a high growth cycle. Since 2009, RuggedCom has made significant investments in its wireless and software businesses, including the acquisitions of WiNetworks in 2009 and Bow Networks in 2010. WiNetworks attained profitability for the first time in the second quarter ended September 30, 2011. The Board views RuggedCom's investment in its wireless and software businesses as significant growth opportunities and profit drivers in the future.

The Board believes that the Belden Offer does not compensate Shareholders for the growth opportunities described above and is an attempt by Belden to keep this value for itself and deprive Shareholders of the full value of their investment.

(b) The Board believes the Belden Offer does not compensate Shareholders for the potential synergies available to Belden from its proposed acquisition of RuggedCom

The Board believes that Belden's proposed acquisition of RuggedCom has the potential to generate significant revenue and product and cost synergies for Belden that are not reflected in the Belden Offer. This is consistent with Belden's comment in its letter to RuggedCom on November 25, 2011 stating "this transaction is currently the highest strategic priority of Belden."

RuggedCom has leading market positions in many of the markets in which it sells its products, including the Electric Power T&D sector of the Industrial Ethernet Switches market. Combined with Belden's Hirschmann and GarrettCom subsidiaries, the Board believes that RuggedCom would provide Belden with a dominant market share in both the Electric Power T&D and Transportation Systems segments of the Industrial Ethernet Switches market. The acquisition of RuggedCom would also remove a significant competitor to Belden's Hirschmann and GarrettCom subsidiaries.

The Board also believes that Belden stands to realize significant revenue and product synergies by marketing RuggedCom's products in its own core markets. Belden's product suite would be significantly enhanced by the inclusion of RuggedCom's innovative offerings including RuggedBackbone, RuggedMax and newly released RuggedAPE product platforms. These products are all difficult and costly to develop, enable access to certain large customers, and enable new revenue streams which have not previously existed in the ruggedized networking industry. The Board believes that the numerous benefits that RuggedCom's products would provide Belden in an acquisition of RuggedCom are not reflected in the Belden Offer.

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The Board further believes that significant cost synergies would exist between RuggedCom and Belden. After giving effect to the acquisition of RuggedCom, Belden would own three networking companies. Belden would be able to combine the three companies into a single division with one management team and a consolidated employee base. Additionally, Belden stated in its conference call on December 20, 2011 that research and development costs would be significantly reduced by combining Belden's networking and connectivity businesses with those of RuggedCom. On that call, a representative of Belden estimated that 70% to 80% of the research and development investment for an industrial networking switch is common, regardless of the vertical being serviced. As a result, the Board believes that Belden stands to realize significant cost synergies through its proposed acquisition of RuggedCom. One equity research analyst indicated that as much as 20% of RuggedCom's operating expenses could be removed from its business should Belden acquire RuggedCom.

Belden's ability to recognize significant revenue and product and cost synergies from the potential acquisition of RuggedCom is not reflected in the Belden Offer. Belden is attempting to transfer value from Shareholders to Belden shareholders by not compensating Shareholders for the value of the revenue and cost synergies that would be realized by combining the two companies.

(c) Written Opinion of TD Securities, the Special Committee's financial advisor

TD Securities, the financial advisor to the Special Committee, delivered a written opinion dated January 3, 2012, that, based on and subject to the scope of review, assumptions and limitations and other matters described therein, as of the date of that opinion, the consideration being offered to Shareholders pursuant to the Belden Offer is inadequate, from a financial point of view, to Shareholders. The full text of TD Securities' opinion, setting out the scope of review, assumptions, limitations and qualifications, is attached as Appendix "B" to this Directors' Circular and should be reviewed and considered in its entirety in conjunction with the review of this Directors' Circular. The Inadequacy Opinion was provided for the benefit of the Special Committee and the Board in connection with their consideration of the Belden Offer. The Inadequacy Opinion does not constitute a recommendation to Shareholders as to whether they should tender their Shares to the Belden Offer. The opinion expressed by TD Securities in the Inadequacy Opinion was one of a number of factors taken into consideration by the Board in making its **UNANIMOUS** determination that the Belden Offer is **INADEQUATE** to Shareholders and is not in the best interests of RuggedCom or its Shareholders, and in **UNANIMOUSLY** recommending that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer.

2. Superior proposals providing greater value for Shareholders may emerge from the Special Committee's active value maximization process

In fulfilling its duties to RuggedCom, the Special Committee, with the assistance of its financial advisor, TD Securities, is aggressively exploring and evaluating alternatives to the Belden Offer in order to determine the alternative that is in the best interests of RuggedCom and its Shareholders.

RuggedCom has been solicited by and has initiated contact with numerous third parties who have expressed an interest in pursuing an alternative transaction with RuggedCom. A number of these third parties have entered into non-disclosure and standstill agreements with RuggedCom, and have begun a due diligence review of confidential financial, operating and other relevant information relating to RuggedCom contained in a "data room" established for this purpose. While there can be no assurance that any financially superior alternative will emerge from the process, the Board believes that the ongoing process undertaken by the Special Committee demonstrates that RuggedCom and its assets are highly strategic and attractive to various third parties that are in a position to propose a financially superior alternative to the Belden Offer.

Shareholders are cautioned that tendering Shares to the Belden Offer before the Special Committee has had an opportunity to fully explore all available alternatives to the Belden Offer may preclude the possibility of a financially superior alternative.

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3. The timing of the Belden Offer is highly opportunistic and disadvantageous to Shareholders

- (a) *The timing of the Belden Offer is designed to take advantage of the holiday season given it is much harder for other potential bidders to get organized and submit a competing bid*

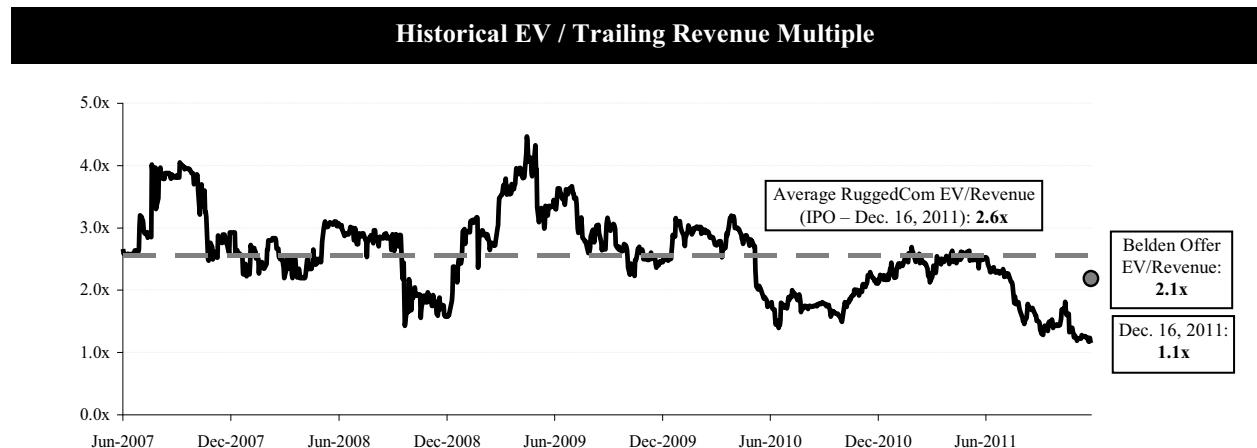
Belden's actions and the Belden Offer have been designed to avoid having Belden participate in a competitive process involving other qualified parties.

The Belden Offer is only open for 35 days, the minimum period required by law. The commencement of the Belden Offer on December 20, 2011 ahead of the holiday season, a period during which many shareholders and other market participants are on vacation, was designed to further compress the time frame in which RuggedCom and its Shareholders might consider the Belden Offer and its alternatives. Belden is attempting to take advantage of the difficulty other interested parties could be expected to incur by participating in a competitive process and organizing their affairs on short notice over the holiday season, including their ability to complete a due diligence review of RuggedCom and propose and negotiate agreements respecting potentially higher value alternative transactions prior to the expiry of the Belden Offer on January 25, 2012.

While a number of parties have executed non-disclosure and standstill agreements as described under the heading "Superior proposals delivering greater value for shareholders may emerge from the Special Committee's active value maximization process", the Special Committee has been informed by its advisors that additional third parties are willing to participate in this process as soon as challenges associated with participation in the process due to the holiday season (such as "mandatory shutdowns" that certain third parties adopt during the holiday season) are resolved and their management teams become available to consider a potential transaction involving RuggedCom.

- (b) *The Belden Offer aims to take advantage of RuggedCom's depressed valuation*

Prior to the announcement of the Belden Offer, RuggedCom was trading at a depressed valuation relative to historical levels. As illustrated in the table below, RuggedCom's EV divided by the sum of its revenue in the previously reported four quarters before the announcement of Belden's intention to make the Belden Offer had fallen to 1.1 times on December 16, 2011, the last trading day before the announcement of Belden's intention to make the Belden Offer. However, RuggedCom has increased revenue 240% from fiscal 2008 to fiscal 2011. Since RuggedCom's initial public offering ("IPO") in June 2007, Shares have traded at an average EV/Revenue multiple of 2.6 times. The Belden Offer implies an EV/Revenue multiple of 2.1 times, well below this historical average, and does not reflect a premium for control of RuggedCom.

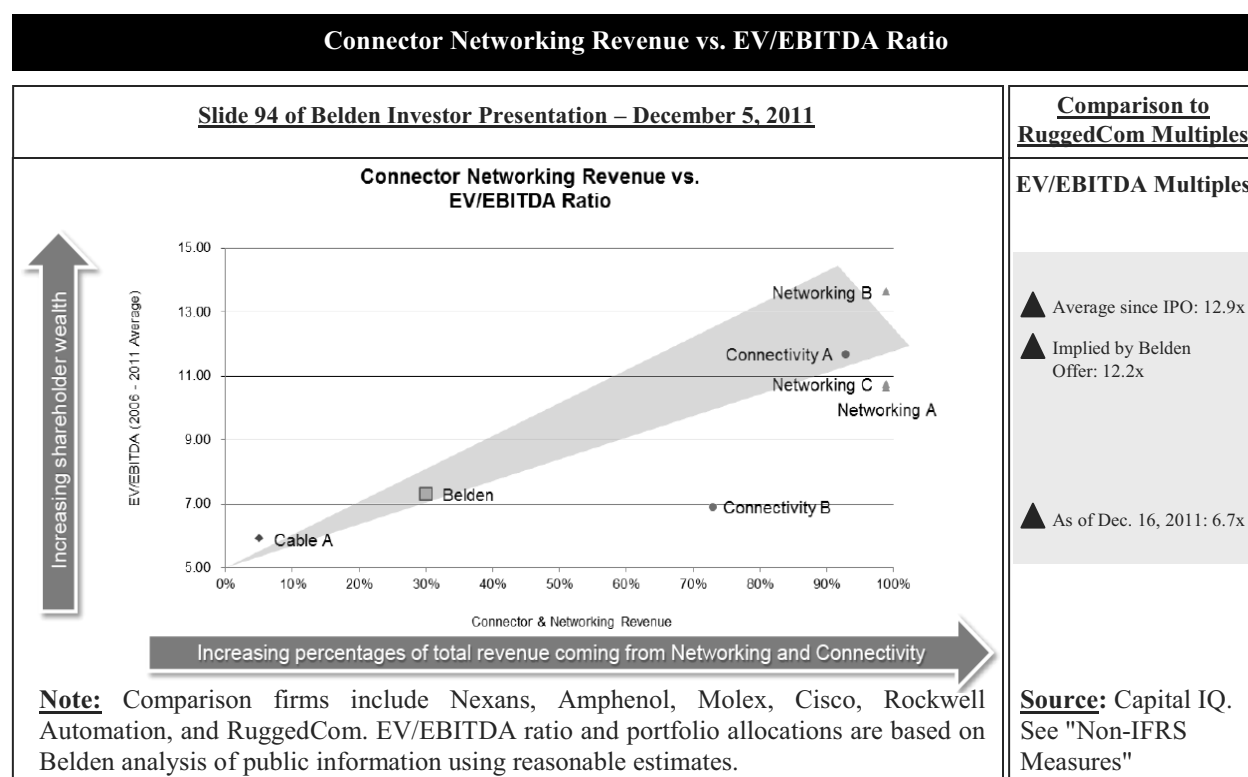


Source: Capital IQ

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Belden has stated publicly that it believes that increasing the proportion of its revenue derived from networking and connectivity creates the potential for multiple expansion (meaning a higher valuation multiple and therefore a higher Belden share price) for Belden shareholders' benefit. The table below is taken directly from Belden's investor presentation dated December 5, 2011 which is publicly available. The table highlights that, on average during the 2006 to 2011 period, for the peer group selected by Belden, which includes RuggedCom, companies that have a greater proportion of total revenue derived from networking and connector solutions have historically traded at a greater EV/EBITDA multiple. RuggedCom derives 100% of its revenue from networking solutions. For comparison purposes, historical RuggedCom EV/EBITDA multiples have been shown relative to the information extracted from Belden's investor presentation dated December 5, 2011. As shown below, RuggedCom's EV/EBITDA multiple since the IPO has averaged 12.9 times. However, RuggedCom's EV/EBITDA multiple on December 16, 2011, the last trading day before the announcement of Belden's intention to make the Belden Offer was 6.7 times. It is clear that Belden is attempting to take advantage of RuggedCom's recent depressed valuation. Moreover, the Belden Offer implies an EV/EBITDA multiple of 12.2 times. The Belden Offer does not offer Shareholders a premium for control of RuggedCom.



(c) ***The Belden Offer is at a substantially lower premium on a historical basis and does not offer an appropriate control premium***

In the six months leading up to the Belden Offer, RuggedCom's Share price had declined despite RuggedCom's continued strong revenue growth and operational performance. This period also corresponds to a lower level of trading activity in the Shares, with average daily trading volumes of approximately 10,637 Shares on all exchanges as reported by Bloomberg, which were approximately 40% lower than the average daily trading volumes on all exchanges as reported by Bloomberg in the preceding six months.

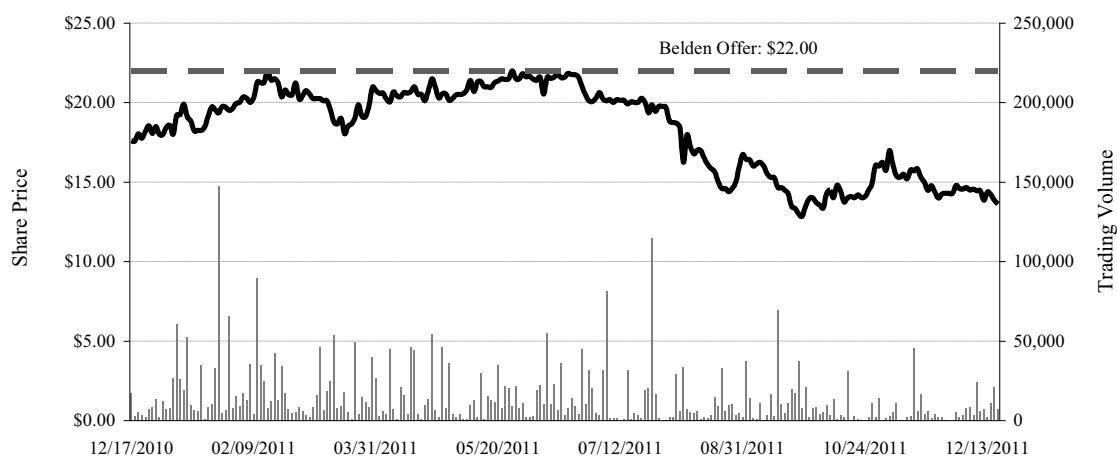
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The Board believes that the premium implied in the Belden Offer is more accurately assessed against a longer trading horizon. The Belden Offer represents only a 16% premium to RuggedCom's VWAP on all exchanges based on information provided by Bloomberg over the last twelve months prior to Belden's announcement of its intention to make the Belden Offer, and a 0% premium to the 52-week high closing price of the Shares on the TSX, which was reached on May 27, 2011.

In addition, the Belden Offer is being made during a period of high volatility in the financial markets. The Board believes that the Belden Offer is opportunistically timed to take advantage of Shareholders who may be attracted to a cash offer, regardless of its inadequacy, as a source of liquidity.

Last Twelve Months Share Price Performance Prior to Announcement Date



Source: RuggedCom closing prices and trading volumes on all exchanges as reported by Bloomberg.

(d) RuggedCom has been investing for future long-term growth profitability

Since mid-2009, RuggedCom has made significant investments to enhance the growth prospects and future profitability of its business, including investments in facilities, headcount and those relating to RuggedCom's wireless and software businesses.

In May 2009, RuggedCom moved into a larger facility with expanded capacity. Between March 2009 and March 2011, RuggedCom increased its employee headcount from 214 to 364. In 2011, RuggedCom established manufacturing operations in China. RuggedCom expected these investments to result in increased operating expenses and, in the short-term, to compress profit margins. The Board believes that these investments will provide significant operating leverage in future periods, which will significantly improve RuggedCom's profitability.

RuggedCom has also made significant investments in its wireless and software businesses. In September 2009 RuggedCom acquired WiNetworks and, in October 2010, RuggedCom acquired Bow Networks. Historically, the wireless and software businesses have negatively impacted profitability. However, WiNetworks achieved profitability for the first time in RuggedCom's second quarter ended September 30, 2011. RuggedCom views its wireless and software businesses as significant growth opportunities and profit drivers in the future.

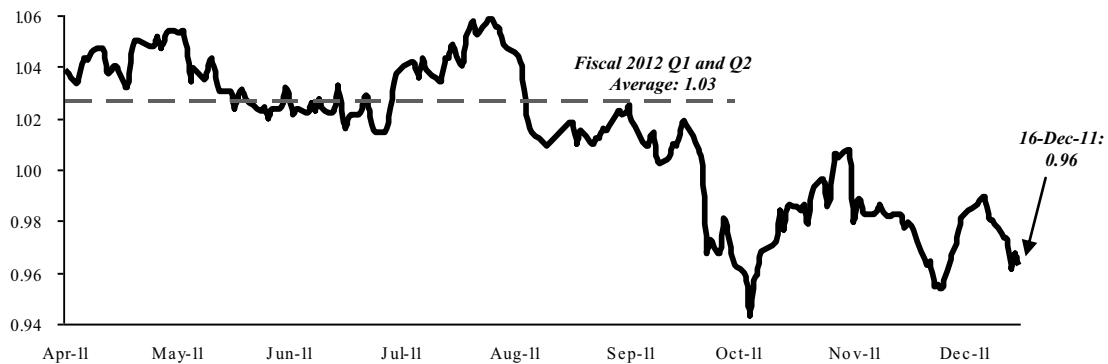
As expected, these investments resulted in a reduction in near-term profitability. The Board and management believe that the price of the Shares during the period leading up to the announcement of the Belden Offer negatively reflects the temporary impact on profitability while not fully recognizing the future benefits of these investments.

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(e) ***RuggedCom's profitability has been impacted by the recent unfavourable exchange rate environment***

The majority of RuggedCom's revenue is denominated in US dollars and RuggedCom's financial statements are denominated in US dollars. However, a significant portion of RuggedCom's expenses are incurred in Canadian dollars as RuggedCom's head office and principal operations are located in Canada. As a result, RuggedCom's reported financial results are subject to significant currency risk and are adversely affected by any appreciation of the Canadian dollar relative to the US dollar. As illustrated in the chart below, the average C\$/US\$ exchange rate during the first two quarters of RuggedCom's fiscal 2012 was 1.03, compared to a spot rate of 0.96 at December 16, 2011 (the last trading day before Belden announced its intention to make the Belden Offer), which has negatively impacted reported profitability over this period. The Board believes that the Share price prior to the announcement of the Belden Offer negatively reflected the impact of a higher Canadian dollar on reported profitability and did not recognize the potential benefit of the current C\$/US\$ exchange rate on future reported profitability.

CS/US\$ Exchange Rate (April 1, 2011 to Announcement Date)



Source: Capital IQ

4. Market sentiment supports the financial inadequacy of the Belden Offer

(a) ***The Belden Offer represents a discount to the current market price of the Shares***

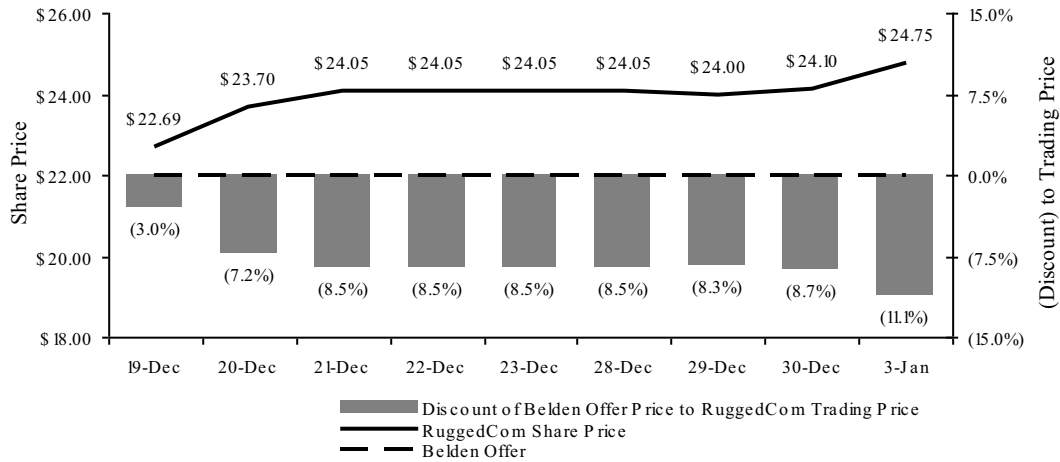
Since the announcement of Belden's intention to make the Belden Offer on December 19, 2011, the closing price of the Shares on the TSX has consistently exceeded the Belden Offer. In the nine trading days from December 19, 2011, the first trading day following Belden's announcement of its intention to make the Belden Offer, to January 3, 2012, inclusive, approximately 2,339,643 Shares have traded on the TSX and other alternative Canadian trading exchanges (representing 19% of the outstanding Shares) at a volume weighted average trading price ("VWAP") of \$23.06 per Share and as high as \$24.75 per Share. The closing price of \$24.75 of Shares on the TSX on January 3, 2012 represents a premium to the Belden Offer of 12.5%.

The Board views the trading performance of the Shares during the period following the Belden Offer as a strong indicator that the market believes the Belden Offer undervalues RuggedCom.

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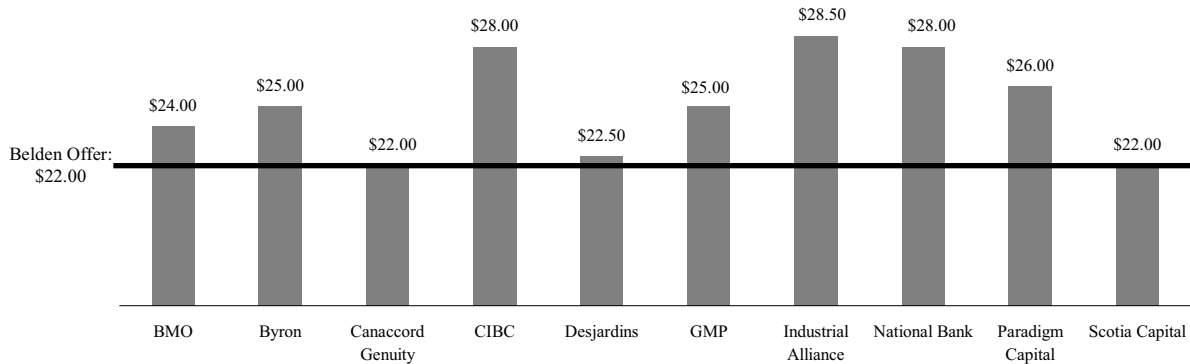
RuggedCom Closing Share Price Since Announcement of the Belden Offer



(b) *Several equity research analysts have indicated that the strategic nature of RuggedCom to numerous potential acquirors may yield a higher bid*

Several equity research analysts have indicated that RuggedCom is worth substantially more than the Belden Offer implies and that RuggedCom would be attractive to other acquirors. Consequently, 7 of 10 equity research analysts have increased their target prices and 8 of 10 target prices set by these analysts are currently higher than the Belden Offer. On average, equity research analysts have increased their target price for the Shares by 17% to a mean of \$25.10. Since the first day following Belden's announcement of its intention to make the Belden Offer, analyst estimates have been raised to a range of \$22.00 to \$28.50 per share.

Analyst Post Announcement Target Prices



Note: The table above includes all investment dealers that have issued research reports on RuggedCom since the announcement of the Belden Offer. **Source:** Bloomberg.

(c) *Numerous significant institutional Shareholders consider the Belden Offer inadequate*

Numerous significant institutional Shareholders have advised RuggedCom that, in their view, the Belden Offer is inadequate.

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5. The Belden Offer is highly conditional for the benefit of Belden shareholders

(a) *The Belden Offer is highly conditional for the benefit of Belden shareholders*

The Belden Offer is highly conditional for the benefit of Belden shareholders. The Belden Offer includes numerous conditions that must be satisfied or waived by Belden prior to it being obligated to take-up and pay for any Shares deposited under the Belden Offer. In particular, a number of conditions provide that Belden may determine in its sole discretion or judgment whether the condition has been satisfied. Certain conditions provide for the option to decline to proceed with the Belden Offer as a result of macroeconomic or other events that are not related to Belden, RuggedCom or the proposed transaction. These conditions are not subject to any materiality thresholds or other objective criteria but, in effect, provide Belden broad latitude to decline to proceed with the Belden Offer, even if the required minimum percentage of Shares is deposited pursuant to the Belden Offer.

In addition, clause (m) of section 4 of the "Offer to Purchase" in the Belden Circular provides that the Belden Offer is conditional upon RuggedCom having provided Belden with certain rights to view confidential financial, operating, and other information that has been provided to parties who sign confidentiality agreements with customary standstill provisions in the Special Committee's value maximization process. Although this clause seeks to provide Belden with the same rights to view confidential information as a party that has signed a confidentiality agreement in favour of RuggedCom, it does not provide RuggedCom and Shareholders with the same level of protection, as the clause exempts Belden from any term or condition that prohibits Belden from being able to submit its offer directly to Shareholders before, during or after Belden's due diligence process. Accordingly, it is not reasonable to conclude that RuggedCom will provide Belden with the information it is seeking.

(b) *The Belden Offer contains inadequate financing disclosure and does not provide sufficient certainty as to Belden's financing*

Under Canadian securities laws, an offeror making a take-over bid where the consideration is cash must ensure that the required funds are available to make full payment for the targeted securities. The Belden Offer does not contain sufficient detail concerning the conditions with regard to the availability of the financing required by Belden to consummate the Belden Offer. Belden has failed to provide adequate details concerning certain financing restrictions that exist in its credit agreement dated as of April 25, 2011. The Belden Circular states that the credit agreement contains customary affirmative and negative covenants and events of default for credit facilities of this type. The Belden Circular fails to mention that a "Hostile Acquisition" is restricted under its credit agreement. The minimal information that has been disclosed in the Belden Circular fails to provide sufficient certainty that Belden has committed financing to take up and pay for all of the Shares subject to Belden's stated commitment of using cash on hand and committed financing to consummate the acquisition.

6. RuggedCom's directors and officers intend to REJECT the Belden Offer

The Board has **UNANIMOUSLY** determined that the Belden Offer is inadequate and **NOT** in the best interests of RuggedCom or its Shareholders. The Board has been informed that, as of the date of this Directors' Circular, all of the directors and officers of RuggedCom intend to **REJECT** the Belden Offer.

RuggedCom's directors and officers who own or exercise control or direction over an aggregate of 2,149,607 Shares on a fully-diluted basis, representing 16.1% of the Shares on a fully-diluted basis, intend to **REJECT** the Belden Offer.

The foregoing summary of the information and factors considered by the Board of Directors is not intended to be exhaustive of the factors considered by the Board in reaching its conclusion and making its recommendation, but includes the material information, factors and analysis considered by the Board. The members of the Board evaluated the various factors summarized above in light of their own knowledge of the business, financial condition and prospects of RuggedCom, and based upon the advice of financial and legal advisors and the recommendation of

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the Special Committee. In view of the numerous factors considered in connection with their evaluation of the Belden Offer, the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching its conclusion and recommendation. In addition, individual members of the Board may have given different weight to different factors. The conclusion and unanimous recommendation of the Board was made after considering all of the information and factors involved.

HOW TO WITHDRAW YOUR DEPOSITED SHARES

To REJECT the Belden Offer, Shareholders need not do anything. Shareholders who have tendered their Shares to the Belden Offer can withdraw them at any time: (a) before their Shares have been taken up and paid for by Belden; (b) if their Shares have not been paid for by Belden within three business days after having been taken up by Belden; and (c) before the expiration of 10 days from the day Belden mails a notice announcing that it has changed or varied the Belden Offer unless, among other things, prior to the filing of such notice Belden has taken up their Shares, the variation in the Belden Offer consists solely of an increase in the consideration offered and the Belden Offer is not extended for more than ten days or the variation in the terms of the Belden Offer consists solely of the waiver of one or more of the conditions of the Belden Offer.

Shareholders who hold Shares through a brokerage firm should contact their broker to withdraw Shares on their behalf. If the Shares have been deposited pursuant to the procedures for book-entry transfer, as set out in Section 3 of the Belden Offer, "Manner of Acceptance", any notice of withdrawal must specify the name and number of the account at CDS or the Depository Trust Company, as applicable, to be credited with the withdrawn Shares and otherwise comply with the procedures of CDS or the Depository Trust Company, as applicable.

For assistance in withdrawing your Shares, you should contact your broker or Georgeson, the information agent retained by RuggedCom, at 1-866-374-9877 or askus@georgeson.com. You may also refer to the instructions for withdrawing your Shares set forth on page 28 of the Belden Circular.

BACKGROUND TO THE BELDEN OFFER

Since RuggedCom's IPO in 2007, it has regularly received informal expressions of interest from numerous third parties concerning possible strategic transactions between such parties and RuggedCom. None of these expressions of interest advanced beyond initial conceptual possibilities. Throughout this period, the Board and management of RuggedCom have focused on executing RuggedCom's business plan as the best means to deliver Shareholder value.

On November 17, 2011, Mr. John Stroup, President and Chief Executive Officer of Belden Inc., Belden's parent company and the parent company of two of RuggedCom's competitors, GarrettCom and Hirschmann, sent a letter addressed to Mr. Peter Crombie, Chairman of the Board of Directors, and Mr. Marzio Pozzuoli, President and Chief Executive Officer of RuggedCom, commending RuggedCom's market leading position and ability to consistently deliver double-digit revenue growth, and indicating an interest in exploring a potential business combination between RuggedCom and Belden. The letter was sent by courier addressed to RuggedCom's offices but was not immediately brought to the attention of either Mr. Crombie or Mr. Pozzuoli due to administrative issues.

Only a week later, on November 25, 2011, without confirming by telephone or email that Mr. Crombie or Mr. Pozzuoli had in fact received Belden's November 17th letter, Mr. Stroup sent a letter, again by courier, to the Board of Directors, which for the first time contained a non-binding proposal to acquire RuggedCom at a price per share in the range of \$22.00 to \$23.00, subject to, among other things, the completion of limited, confirmatory due diligence. In his letter, Mr. Stroup indicated that the proposed transaction with RuggedCom was the "highest single strategic priority for Belden" and professed Belden's disappointment that RuggedCom had, according to Belden, "continued to refuse" to meet with Belden or engage in discussions. While claiming to prefer a "friendly" transaction, Mr. Stroup threatened that Belden's proposal was "a proposal that your shareholders would enthusiastically support, and merits your serious and immediate consideration."

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During the afternoon of November 29, 2011, Belden's November 17th and November 25th letters were brought to the attention of Mr. Pozzuoli who immediately delivered the letters to Mr. Crombie.

On the morning November 30, 2011, Mr. Pozzuoli had a telephone conversation with Mr. Stroup, during which Mr. Pozzuoli indicated that the letters had only been brought to his attention the previous afternoon. During the afternoon on November 30, 2011, Mr. Crombie sent a letter to Mr. Stroup indicating that he was in receipt of Mr. Stroup's letters, explaining the cause of the delay in RuggedCom's response, and assuring Mr. Stroup that the Board would give Belden's proposal due consideration.

On November 30, 2011 and throughout the following week, Mr. Crombie, two other members of the Board, Mr. J. Ian Giffen and Mr. C. Ian Ross, and Mr. Pozzuoli met on numerous occasions with TD Securities (a financial advisory firm which has provided financial advice to RuggedCom commencing with RuggedCom's IPO, and which was engaged on December 1, 2011 by RuggedCom regarding matters related to Belden's proposal), and RuggedCom's legal advisors to review and discuss Belden's proposal.

At a Board meeting on Friday, December 9, 2011, TD Securities presented its preliminary views in respect of Belden's proposal.

On Monday, December 12, 2011, Mr. Crombie delivered a letter to Mr. Stroup advising him that the Board of Directors had, with the assistance of its financial and legal advisors, reviewed and considered Belden's proposal and had determined that such proposal did not sufficiently recognize the intrinsic value of the business and thus such proposal was not in the best interests of RuggedCom. The letter indicated that the Board was prepared to offer Belden the opportunity to conduct limited due diligence with the objective of enhancing Belden's understanding of RuggedCom's business and its intrinsic value, subject to Belden and RuggedCom executing a mutually acceptable confidentiality agreement. In the letter, Mr. Crombie advised Mr. Stroup that if, as a result of Belden's due diligence, Belden wished to submit a proposal at a price that the Board considered to be more reflective of RuggedCom's intrinsic value, the Board would be prepared to pursue further discussions with Belden at that time.

On December 12, 2011, Mr. Stroup delivered to Mr. Crombie a form of confidentiality agreement containing only limited protections for RuggedCom and no "standstill" provision.

On December 13, 2011, Mr. Crombie delivered to Mr. Stroup a form of confidentiality agreement containing a "standstill" provision consistent with market precedent for transactions of this nature. Despite his professed preference for a "friendly" transaction, Mr. Stroup delivered a letter on December 13, 2011, indicating that Belden would not agree to any "standstill" provision, regardless of the duration.

On December 14, 2011, Mr. Crombie delivered a letter to Belden advising Mr. Stroup that the Board of Directors was unwilling to provide confidential information to a prospective acquirer and competitor absent customary protections for RuggedCom that were in line with market precedent. In his correspondence, Mr. Crombie emphasized the Board's willingness to execute a customary confidentiality agreement to enable Belden to complete limited, confirmatory due diligence and consider making a revised proposal reflecting the benefit of an enhanced understanding of RuggedCom's business and prospects. In a telephone conversation which followed delivery of the response to Belden, Mr. Stroup and Mr. Crombie expressed a mutual understanding concerning the benefits of a friendly transaction, which would allow Belden to understand the intrinsic value of RuggedCom.

Later that day, the Board of Directors met with its legal advisors to discuss Mr. Crombie's further discussions with Mr. Stroup regarding the Belden proposal and the terms upon which RuggedCom would be prepared to grant Belden access to RuggedCom's confidential information. Also at that meeting, the Board appointed the Special Committee, comprised of Messrs. J. Ian Giffen (Chair), Peter Crombie and C. Ian Ross, to review and consider any formal take-over bid by Belden should it elect to carry through on its threat to make an unsolicited offer for the Shares. Each member of the Special Committee is independent of Belden and of the management of RuggedCom.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

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During the evening of December 14, 2011, Mr. Stroup emailed Mr. Crombie to advise that Belden's board of directors was unwilling to agree to any extended standstill provision but that Mr. Stroup would brief Belden's board of directors on their conversation earlier that day.

On the morning of December 15, 2011, by letter from Belden and a telephone call, Mr. Crombie was informed that Belden's board of directors, having met and expressing "significant preference for a friendly deal", was willing to execute a confidentiality agreement in favour of RuggedCom but only if the standstill provision in the agreement was limited to 30 days and the agreement obligated RuggedCom to deal exclusively with Belden for that 30 day period. Mr. Stroup advised Mr. Crombie that Belden was not prepared to be flexible regarding the standstill provision.

On December 15, 2011, the Special Committee held its initial meeting and confirmed the appointment of TD Securities as its financial advisor and McCarthy Tétrault LLP as its legal advisor. At this meeting, the Special Committee discussed, together with its legal advisors, various matters relating to the discussions with Belden, including the terms upon which RuggedCom would grant Belden access to RuggedCom's confidential information and a possible offer by Belden for the Shares, as well as the legal duties and responsibilities of the Special Committee. Members of RuggedCom's management, representatives of TD Securities and RuggedCom's legal advisors attended a portion of the meeting.

On December 16, 2011, Mr. Crombie conveyed a response by letter to Mr. Stroup indicating that RuggedCom was willing to agree to a standstill term of 12 months. Mr. Stroup, in the ensuing call, responded that Belden's board of directors would meet over the weekend and that he would respond to Mr. Crombie after their meeting.

Despite Mr. Crombie's repeated attempts to obtain appropriate protection for RuggedCom to permit continued friendly discussions with Belden, on December 19, 2011, Mr. Stroup advised Mr. Crombie that Belden would be issuing a press release that morning before the opening of markets indicating its intent to make the Belden Offer to Shareholders, and Belden issued a press release to that effect that morning. Following the issuance of the Belden press release, the Special Committee met to discuss the Belden announcement, the Special Committee approved the issuance by RuggedCom that morning of a press release containing the Special Committee's preliminary view as to the inadequacy of the consideration offered under the Belden Offer and announcing the formation of the Special Committee and the committee's financial and legal advisors.

On December 20, 2011, Belden commenced the Belden Offer.

Later that day, the Special Committee met with McCarthy Tétrault to, among other things, discuss and consider the Special Committee's preliminary views regarding the Belden Offer, to review the take-over bid process and to consider a communications strategy and defensive measures, including the adoption by RuggedCom of a shareholder rights plan (the "Rights Plan"). The Special Committee reviewed with its legal advisors the terms of the Rights Plan and determined to recommend that the Board adopt the Rights Plan. The principal terms of the Rights Plan are summarized in Appendix "C" to this Directors' Circular. At that meeting, the Special Committee also received updates from TD Securities and management of RuggedCom on market reaction to the Belden Offer.

On December 23, 2011, the Board of Directors met to, among other things, receive an update from the Special Committee as to its review of the Belden Offer and to consider the adoption of the Rights Plan. As described under the heading "Material Changes in the Affairs of RuggedCom – Shareholder Rights Plan", the Board subsequently adopted the Rights Plan and deferred the "Separation Time" under the plan.

On December 28, 2011, the Special Committee met with its legal advisors to review and comment on a draft of this Directors' Circular.

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In addition to its formal meetings, the Special Committee met informally with its financial and legal advisors on a regular basis to receive updates on market reaction to the Belden Offer, advice regarding its advisors' analysis of the Belden Offer and related matters.

On January 2 and 3, 2012, the Special Committee met with its financial and legal advisors. The Special Committee received formal presentations from its advisors as to their assessments of the Belden Offer. The Special Committee also received and reviewed a report by its financial advisors as to the inadequacy of the Belden Offer, and discussed and determined its recommendation to the Board of Directors.

On January 3, 2012, following the conclusion of the Special Committee's meeting with its financial and legal advisors, the Board of Directors met to receive the report of the Special Committee on the recommendation of the Special Committee to the Board and the matters considered by the Special Committee, to discuss and determine its recommendation to Shareholders regarding the Belden Offer, and approve this Directors' Circular.

INADEQUACY OPINION OF TD SECURITIES

The Special Committee has retained TD Securities to assess, among other things, the Belden Offer and to provide advice to the Special Committee as to the adequacy of the consideration offered under the Belden Offer, from a financial point of view, to Shareholders. The Special Committee and the Board received the written Inadequacy Opinion dated January 3, 2012 from TD Securities which concluded that, based on and subject to the scope of review, assumptions and limitations and other matters described therein, as of the date of the Inadequacy Opinion, the consideration being offered to Shareholders pursuant to the Belden Offer is inadequate, from a financial point of view, to Shareholders. The full text of TD Securities' Inadequacy Opinion, setting out the scope of review, assumptions, limitations and qualifications, is attached as Appendix "B" to this Directors' Circular and should be reviewed and considered in its entirety in conjunction with this Directors' Circular.

The opinion expressed by TD Securities in the Inadequacy Opinion was one of a number of factors taken into consideration by the Board in making its **UNANIMOUS** determination that the Belden Offer is **INADEQUATE** to Shareholders and is not in the best interests of RuggedCom or its Shareholders, and in **UNANIMOUSLY** recommending that Shareholders **REJECT** the Belden Offer and **NOT TENDER** their Shares to the Belden Offer.

TD Securities has advised RuggedCom that it is not an insider, associate or affiliate (as such terms are defined in the *Securities Act* (Ontario)) of RuggedCom, Belden or any of their respective associates or affiliates. Other than an engagement letter effective December 1, 2011, there are no understandings, agreements or commitments between either TD Securities, on the one hand, and RuggedCom, on the other, or any of their respective associates or affiliates with respect to any future business dealings. TD Securities may in the future, in the ordinary course of business, perform financial advisory or investment banking services for RuggedCom or any of its associates or affiliates for which services it would expect to receive compensation. In the ordinary course of business, TD Securities and its respective affiliates may actively trade or hold securities of RuggedCom for its own account or for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

Pursuant to the terms of the engagement letter between TD Securities and RuggedCom, TD Securities is to be paid a fixed fee upon rendering an opinion as to either the fairness or inadequacy of the Belden Offer and advisory fees that will be payable whether or not the Belden Offer is consummated, which advisory fees are variable depending on the outcome of the Belden Offer and the ultimate consideration, if any, at which any alternative transaction is consummated. In addition, TD Securities will be reimbursed for its reasonable out-of-pocket expenses. RuggedCom has also agreed to indemnify TD Securities against certain liabilities.

RUGGEDCOM INC.

RuggedCom is a leading provider of rugged communications networking solutions designed for mission-critical applications in harsh environments. RuggedCom's technology solutions include Ethernet switches, network routers,

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wireless devices, serial servers, media converters, software and professional services. RuggedCom's products are designed for use in harsh environments such as those found in electrical power substations and smart grids, intelligent transportation systems, industrial process control and military applications.

Recent Developments

On December 23, 2011, after careful consideration, including consideration of the unanimous recommendation of the Special Committee and consultation with its legal advisors, the Board unanimously determined that it was in the best interests of RuggedCom, its Shareholders and other stakeholders to adopt the Rights Plan. See "Material Changes in the Affairs of RuggedCom – Shareholder Rights Plan".

Share Capital

The authorized capital of RuggedCom consists of an unlimited number of Shares. Each Share entitles the holder thereof to one vote at all meetings of Shareholders and to receive any dividends declared by the Board and the remaining property of RuggedCom upon dissolution. The Shares carry no preemptive rights, conversion rights, redemption provisions, or sinking fund provisions.

As of the date of this Directors' Circular there are 12,429,987 Shares issued and outstanding.

PRINCIPAL SHAREHOLDERS

As of the date of this Directors' Circular, to the knowledge of the directors and officers of RuggedCom, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the Shares.

DIRECTORS AND OFFICERS OF RUGGEDCOM AND OWNERSHIP OF SECURITIES

The following table sets out the names and positions with RuggedCom of each of its directors and officers and the number, designation and percentage of outstanding securities of RuggedCom beneficially owned or over which control or direction is exercised by each such person, and, where known after reasonable enquiry, by each associate or affiliate of an insider of RuggedCom, each associate or affiliate of RuggedCom, any insider of RuggedCom other than a director or officer and each person acting jointly or in concert with RuggedCom:

Name	Position	Common Shares / % of Outstanding Common Shares ⁽¹⁾	Options / % of Outstanding Options ⁽²⁾
Dr. Guy Bridgeman.....	Director	4,000 (0.03%)	10,000 (1.11%)
Allan Brett.....	Director	2,700 (0.02%)	10,000 (1.11%)
Peter Crombie.....	Director, Chairman of the Board	15,000 (0.12%)	10,000 (1.11%)
J. Ian Giffen.....	Director	15,700 (0.13%)	10,000 (1.11%)
Marzio Pozzuoli.....	Director, President and Chief Executive Officer	1,086,896 (8.75%)	--
C. Ian Ross.....	Director	2,500 (0.02%)	10,000 (1.11%)
Dr. Harry Zarek.....	Director	525,021 (4.22%)	16,250 (1.80%)
Jonathan Azarcon.....	Vice President, Global Services & Support	6,250 (0.05%)	23,820 (2.64%)

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Name	Position	Common Shares / % of Outstanding Common Shares⁽¹⁾	Options / % of Outstanding Options⁽²⁾
Rudi Carolsfeld.....	Vice-President, Sales – Asia-Pacific	3,400 (0.03%)	23,000 (2.55%)
Roy Dalton.....	Chief Financial Officer	39,375 (0.32%)	64,820 (7.19%)
Jeff Gill.....	Vice President, RuggedSolutions	3,000 (0.02%)	21,000 (2.33%)
Joseph Gould.....	Vice-President, Sales – Americas	--	66,570 (7.38%)
Alexander Jaeger.....	Vice President, RuggedWIRELESS	--	31,070 (3.45%)
Emiliano Marquesini.....	Vice-President, Sales – EMEA	--	15,195 (1.68%)
Roger Moore.....	Vice-President, Engineering and Chief Technology Officer	61,220 (0.49%)	41,820 (4.64%)
Don Simpson.....	Vice-President, Operations	--	20,000 (2.22%)
Jim Slinowsky.....	Vice-President of Marketing	1,000 (0.01%)	10,000 (1.11%)

(1) As of January 3, 2012, there were 12,429,987 Shares outstanding.

(2) As of January 3, 2012, there were 891,753 Options outstanding.

In total, the directors and officers of RuggedCom, and their respective associates and affiliates, beneficially own, directly or indirectly, or exercise control or direction over, (a) 1,766,062 outstanding Shares representing 14.2% of the issued and outstanding Shares, and (b) hold Options to purchase up to 383,545 Shares.

To the knowledge of the directors and officers of RuggedCom after reasonable enquiry, no associate or affiliate of RuggedCom, no insider of RuggedCom, nor any of such insider's associates or affiliates or any person or company acting jointly or in concert with RuggedCom, beneficially owns or exercises control or direction over, directly or indirectly, any Shares of RuggedCom except as otherwise disclosed in this Directors' Circular.

INTENTION OF DIRECTORS, OFFICERS AND INSIDERS OF RUGGEDCOM WITH RESPECT TO THE BELDEN OFFER

The Board has made reasonable enquiries of each director and officer of RuggedCom and their respective associates and each has indicated his, her or its intention to reject the Belden Offer and not tender any of his, her or its Shares (including Shares underlying Options held immediately prior to the expiry time of the Belden Offer) to the Belden Offer.

TRADING IN SECURITIES OF RUGGEDCOM

During the six-month period preceding the date of this Directors' Circular, none of RuggedCom, the directors and officers of RuggedCom, any other insider of RuggedCom nor, to the knowledge of the directors and officers of RuggedCom after reasonable enquiry, any of their respective associates or affiliates, or any person acting jointly or in concert with RuggedCom, has traded any securities or rights to acquire securities of RuggedCom except as set out below:

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<u>Name and Position</u>	<u>Date</u>	<u>Nature of Transaction</u>	<u>Number of Shares</u>	<u>Price Per Share</u>
Rudi Carolsfeld.....	December 2, 2011	Acquisition in the market	200	\$14.58
Vice-President, Sales – Asia-Pacific	December 5, 2011	Acquisition in the market	200	\$14.50
	December 5, 2011	Acquisition in the market	200	\$14.51
	December 5, 2011	Acquisition in the market	200	\$14.52
Jeff Gill.....	August 24, 2011	Acquisition in the market	1,000	\$14.50
Vice President, RuggedSolutions	September 21, 2011	Acquisition in the market	1,000	\$13.64
Joseph Gould.....	June 14, 2011	Disposition in the market	5,000	\$21.50
Vice-President, Sales – Americas				
Emiliano Marquesini.....	September 21, 2011	Disposition in the market	2,500	\$13.20
Vice-President, Sales – EMEA	September 21, 2011	Disposition in the market	400	\$13.22
	September 21, 2011	Disposition in the market	300	\$13.25
	September 21, 2011	Disposition in the market	4,900	\$13.80
	September 21, 2011	Disposition in the market	700	\$13.81
	September 21, 2011	Disposition in the market	300	\$13.90
	September 21, 2011	Disposition in the market	500	\$13.95
Jonathan Azarcon.....	September 22, 2011	Acquisition in the market	100	\$14.47
Vice-President, Globas Services and Support	September 22, 2011	Acquisition in the market	1600	\$14.49

See "Issuances of Securities by RuggedCom" in this Directors' Circular for additional trading activity involving directors and officers of RuggedCom which is not included in the table above.

ISSUANCES OF SECURITIES BY RUGGEDCOM

During the two years preceding the date of this Directors' Circular, no Shares or securities convertible into Shares have been issued to the directors, officers or other insiders of RuggedCom except as set out below:

<u>Name and Position</u>	<u>Nature of Issue</u>	<u>Date of Issue</u>	<u>Number of Securities</u>	<u>Issue/Exercise Price Per Common Share</u>
Marzio Pozzuoli.....	Issue of Shares upon exercise of Options	March 10, 2011	37,500	\$1.48
Director, President and Chief Executive Officer				
Roy Dalton.....	Grant of Options	April 12, 2010	3,570	\$21.20
Chief Financial Officer	Issue of Shares upon exercise of Options	May 16, 2011	37,875	\$1.48
	Grant of Options	May 27, 2011	2,500	\$22.00
Dr. Harry Zarek.....	Issue of Shares upon exercise of Options	June 22, 2011	6,250	\$1.48
Director				

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<u>Name and Position</u>	<u>Nature of Issue</u>	<u>Date of Issue</u>	<u>Number of Securities</u>	<u>Issue/Exercise Price Per Common Share</u>
Jonathan Azarcon.....	Grant of Options	April 12, 2010	3,570	\$21.20
Vice President, Global Services & Support	Grant of Options	May 27, 2011	2,500	\$22.00
Rudi Carolsfeld.....	Grant of Options	April 12, 2010	15,000	\$21.20
Vice-President, Sales – Asia-Pacific	Grant of Options	May 27, 2011	2,500	\$22.00
Jeff Gill.....	Grant of Options	November 15, 2011	21,000	\$16.85
Vice-President RuggedSolutions				
Joseph Gould.....	Grant of Options	April 12, 2010	3,570	\$21.20
Vice-President, Sales – Americas	Grant of Options	May 27, 2011	2,500	\$22.00
	Issue of Shares upon exercise of Options	June 14, 2011	5,000	\$1.48
Alexander Jaeger.....	Grant of Options	April 12, 2010	3,570	\$21.20
Vice President, RuggedWIRELESS	Grant of Options	May 27, 2011	2,500	\$22.00
Emiliano Marquesini.....	Grant of Options	April 12, 2010	3,570	\$21.20
Vice President, Sales – EMEA	Grant of Options	May 27, 2011	2,500	\$22.00
	Issue of Shares upon exercise of Options	May 30, 2011	12,400	\$11.50
	Issue of Shares upon exercise of Options	September 21, 2011	1,300	\$12.00
	Issue of Shares upon exercise of Options	September 21, 2011	325	\$1.48
	Issue of Shares upon exercise of Options	September 21, 2011	7,975	\$11.50
Roger Moore.....	Grant of Options	April 12, 2010	3,570	\$21.20
Vice-President, Engineering and Chief Technology Officer	Grant of Options	May 27, 2011	2,500	\$22.00
	Issue of Shares upon of Options	June 3, 2011	12,500	\$1.48
Jim Slinowsky.....	Grant of Options	May 1, 2010	7,500	\$21.20
Vice-President of Marketing	Grant of Options	May 27, 2011	2,500	\$22.00
Don Simpson.....	Grant of Options	November 11, 2011	20,000	\$15.71
Vice-President, Operations				

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OWNERSHIP OF SECURITIES OF BELDEN OR ITS AFFILIATES

None of RuggedCom, the directors and officers of RuggedCom nor, to the knowledge of the directors and officers of RuggedCom after reasonable enquiry, any of the associates or affiliates of an insider of RuggedCom, any affiliates or associates of RuggedCom, any insiders of RuggedCom other than directors and officers of RuggedCom or any person or company acting jointly or in concert with RuggedCom, beneficially owns or exercises control or direction over any securities of Belden or any of its affiliates.

ARRANGEMENTS BETWEEN BELDEN AND THE DIRECTORS AND OFFICERS OF RUGGEDCOM

To the knowledge of RuggedCom, after reasonable enquiry, there are no agreements, commitments or understandings made or proposed to be made between Belden and any of RuggedCom's directors or officers, including any payment or other benefit proposed to be made or given by way of compensation for loss of office or their remaining in or retiring from office if the Belden Offer is successful.

No directors or officers of RuggedCom are also directors or officers of Belden or any subsidiary of Belden.

ARRANGEMENTS BETWEEN RUGGEDCOM AND ITS DIRECTORS AND OFFICERS

Except as set forth below, no agreement, commitment or understanding has been made or is proposed to be made between RuggedCom and any of its directors or officers pursuant to which a payment or other benefit is to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Belden Offer is successful. Each of the agreements, commitments or understandings referred to below existed prior to the receipt of the Belden Offer.

Employment Contracts

Mr. Marzio Pozzuoli, the President and Chief Executive Officer, and Mr. Roy Dalton, the Chief Financial Officer, each entered into employment agreements with RuggedCom. Under the employment agreements, RuggedCom is entitled to terminate each executive's employment at any time without cause by providing him twenty-four months' compensation at his then current salary. Upon termination without cause, each executive is entitled to continuation of group benefits (subject to the terms of the applicable benefits plans) for a period of twenty-four months or until alternative employment is commenced, whichever is the lesser period.

Mr. Emiliano Marquesini, Vice-President, Sales – EMEA, Mr. Joseph Gould, Vice-President, Sales – Americas and Mr. Rudi Carolsfeld, Vice-President – Asia-Pacific, Mr. Roger Moore, Vice-President, Engineering and Chief Technology Officer, Mr. Jim Slinowsky, Vice-President of Marketing, Mr. Don Simpson, Vice-President, Operations, Mr. Jonathan Azarcon, Vice President, Global Services & Support, and Alexander Jaeger, Vice President, RuggedWIRELESS each entered into employment agreements with RuggedCom. RuggedCom is entitled to terminate each such officer's employment at any time without cause by providing twelve months' compensation at his then current salary. Upon termination without cause, each officer is entitled to continuation of group benefits (subject to the terms of the applicable benefits plans) for a period of twelve months or until alternative employment is commenced, whichever is the lesser period.

The following table provides details regarding the estimated incremental cash payments from RuggedCom to any of RuggedCom's directors and officers assuming termination without cause as of the date of this Directors' Circular. Note that upon a change in control, in addition to the amounts detailed below, any unvested Option awards held by such directors and officers may become fully vested.

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Name	Payments Related to Annual Base Salary	Estimated Payments Benefits	Total Incremental Payments
Marzio Pozzuoli.....	\$610,014	\$14,155	\$624,169
Roy Dalton.....	\$432,600	\$14,155	\$446,755
Joseph Gould.....	\$132,600	\$29,062	\$161,662
Emiliano Marquesini.....	\$197,600	\$10,773	\$208,373
Rudi Carolsfeld.....	\$150,000	\$6,867	\$156,867
Roger Moore.....	\$216,300	\$7,077	\$223,377
Jim Slinowsky.....	\$150,000	\$6,954	\$156,954
Don Simpson.....	\$250,000	\$7,077	\$257,077
Jonathan Azarcon.....	\$191,300	\$7,058	\$198,358
Alexander Jaeger.....	\$216,300	\$7,077	\$223,377

Stock Option Plan

If successful, the Belden Offer would constitute a "combination" under the SOP. The SOP provides that, if there is a "combination" of RuggedCom, the Board, having regard to its fiduciary duties and the best interests of RuggedCom, will address the economic value of the rights that Participants, as a group, have in outstanding Options in whatever manner the Board deems to be reasonable in the circumstances, including, among other things, any of the following: (i) upon written notice to Participants, provide that up to 50% of an Participant's then unexercised Options (both vested and unvested) become immediately eligible to be exercised up to the time immediately prior to the consummation of the transaction in question; (ii) upon written notice to Participants, provide that all unexercised Options (both vested and unvested) will terminate immediately prior to the consummation of transaction unless those Options which have vested are exercised by respective Participants within a specified number of days following the date of the notice; (iii) in the case of a transaction under the terms of which holders of Shares will receive cash and/or other consideration for each Share surrendered in the transaction, provide for the delivery to each Participant of the cash and/or other consideration that the Participant would have received had the Participant exercised all of the Participant's outstanding vested Options immediately prior to the transaction less the amount the Participant would have been required to pay to RuggedCom on that exercise, in cash and/or in a portion of any other consideration having a fair value equal to the amount, in exchange for the termination of all of the Participant's vested and unvested Options; (iv) require Participants to surrender their outstanding Options in exchange for a payment, in cash, Shares or other appropriate consideration as determined by the Board, in an amount equal to the amount by which the then fair value of the Shares subject to each Participant's unexercised Options exceeds the exercise price of those Options (treating all unexercised Options as being fully exercisable for purposes of this calculation); or (v) complete a transaction or series of transactions to give effect to any of the foregoing. In any case, the Board may, in its discretion, advance any waiting, vesting or installment period and exercise date.

As of January 3, 2012, the officers and directors of RuggedCom held, in the aggregate, 383,545 Options. These outstanding Options had exercise prices ranging from \$1.48 to \$25.22 and an aggregate weighted average price of \$15.24 per Share. If the Belden Offer is successful, and assuming full vesting of any unvested Options, the officers and directors of RuggedCom would collectively be entitled to receive cash compensation of approximately \$2,738,759.

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INTERESTS OF DIRECTORS AND OFFICERS OF RUGGEDCOM IN MATERIAL TRANSACTIONS WITH BELDEN

None of the directors and officers of RuggedCom and their associates nor, to the knowledge of the directors and officers of RuggedCom after reasonable enquiry, any person or company who owns more than 10% of any class of equity securities of RuggedCom for the time being outstanding has any interest in any material transaction to which Belden is a party.

OTHER TRANSACTIONS

Other than as described or referred to in this Directors' Circular, there is no transaction, directors' resolution, agreement in principle or signed contract of RuggedCom in response to the Belden Offer or any negotiations underway in response to the Belden Offer which relates to or would result in (a) an extraordinary transaction such as a merger or reorganization involving RuggedCom or a subsidiary, (b) the purchase, sale or transfer of a material amount of assets by RuggedCom or any of its subsidiaries, (c) a competing take-over bid, (d) a bid by RuggedCom for its own securities or for those of another issuer, or (e) any material change in the present capitalization or dividend policy of RuggedCom. Notwithstanding the foregoing, the Board may engage in negotiations in response to the Belden Offer that could have one or more effects specified in this paragraph and RuggedCom management may enter into discussions from time to time regarding one or more strategic initiatives.

MATERIAL CHANGES IN THE AFFAIRS OF RUGGEDCOM

Except as noted below and except for the Belden Offer, information publicly disclosed by RuggedCom or as otherwise described or referred to in this Directors' Circular, the directors or officers of RuggedCom are not aware of any information that indicates any material change in the affairs of RuggedCom since the date of its last published financial statements, being the unaudited interim consolidated financial statements of RuggedCom for the three and six months ended September 30, 2011.

Shareholder Rights Plan

As part of its mandate, the Special Committee considered, with the benefit of advice from its legal and financial advisors, whether it was in the best interests of RuggedCom, its Shareholders and other stakeholders to adopt a limited duration shareholder rights plan in the context of the Offer. The Special Committee unanimously determined that it was in the best interests of RuggedCom, its Shareholders and other stakeholders to do so in order to (a) ensure, to the extent possible, that RuggedCom and the Board have sufficient time to consider and evaluate the Belden Offer and any other unsolicited take-over bid for RuggedCom's securities, (b) provide the Board with adequate time to identify, develop and negotiate value-enhancing alternatives, if considered appropriate, to the Belden Offer and any such unsolicited bid, (c) encourage the fair treatment of Shareholders in connection with any other take-over offer for RuggedCom's securities, and (d) generally to prevent any person from acquiring ownership (or the right to acquire ownership) of or the right to vote more than 20% of the outstanding Shares while the process undertaken by the Board is ongoing, or entering into arrangements or relationships that have a similar effect.

On December 23, 2011, after careful consideration, including consideration of the unanimous recommendation of the Special Committee and consultation with its legal advisors, the Board unanimously determined that it was in the best interests of RuggedCom, its Shareholders and other stakeholders to adopt the Rights Plan, and authorized the execution of the Shareholder Rights Plan Agreement to be dated as determined by the Special Committee, between the Company and Computershare Investor Services Inc., as rights agent, and the issuance of one Share purchase right (a "Right") per Share payable to Shareholders of record at the close of business on a date determined by the Special Committee. The Special Committee determined that the Rights Plan was to be effective as of December 23, 2011, and apply to shareholders of record as of the close of business on December 23, 2011. The Rights Plan will expire on the close of business on June 23, 2012.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER
AND NOT TENDER ANY SHARES.**

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com

On December 29, 2011, the TSX, in accordance with its rules, determined that it will defer its consideration of the acceptance for filing of the Rights Plan until the appropriate securities regulatory authority has had the opportunity to consider whether it will initiate proceedings under securities laws with respect to the Rights Plan. The deferral does not affect the operation of the Rights Plan which remains effective in accordance with its terms.

A summary of the Rights Plan is set out in Appendix "C" of this Directors' Circular. The summary is qualified by and is subject to the full terms and conditions of the Rights Plan, a copy of which is available at www.sedar.com.

OTHER INFORMATION

Except as disclosed in this Directors' Circular, the directors or officers of RuggedCom are not aware of any information that would reasonably be expected to affect the decision of the Shareholders to accept or reject the Belden Offer.

The Board recommends that Shareholders contact Georgeson, the information agent retained by RuggedCom, with any questions or requests for assistance that they might have with respect to the Belden Offer or this Directors' Circular at 1-866-374-9877 or askus@georgeson.com.

AVAILABILITY OF DISCLOSURE DOCUMENTS

RuggedCom is a reporting issuer in each of the Provinces of Canada and files its continuous disclosure documents and other documents with provincial securities authorities in those provinces. Continuous disclosure documents are available on SEDAR at www.sedar.com.

STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides security holders of RuggedCom with, in addition to any other rights that they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or a notice that is required to be delivered to those security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

APPROVAL OF DIRECTORS' CIRCULAR

The contents of this Directors' Circular have been approved and the delivery hereof has been authorized by the Board of Directors.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com

CONSENT OF TD SECURITIES INC.

TO: The Board of Directors of RuggedCom Inc.; and
The Special Committee of the Board of Directors of RuggedCom Inc.

We refer to the offer of Belden CDT (Canada) Inc. to purchase all of the issued and outstanding common shares of RuggedCom Inc. ("RuggedCom") dated December 20, 2011 (the "Belden Offer").

We hereby consent to the inclusion of our opinion letter dated January 3, 2012 in the Directors' Circular of RuggedCom dated January 4, 2012 in response to the Belden Offer and to the references to such opinion in such Directors' Circular. In providing such consent, we do not intend that any person other than the Board of Directors of RuggedCom or the Special Committee of the Board of Directors of RuggedCom rely upon such opinion.

Yours very truly,

(Signed)
"TD Securities Inc."

TD Securities Inc.
Toronto, Ontario
January 4, 2012

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER
AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com

CERTIFICATE

DATED: January 4, 2012.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

On behalf of the Board of Directors

(Signed)
"Peter Crombie"

Peter Crombie
Chairman of the Board

(Signed)
"J. Ian Giffen"

J. Ian Giffen
Director

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com

APPENDIX "A"
GLOSSARY OF TERMS

In this Directors' Circular, unless the context otherwise requires:

"**affiliate**" has the meaning ascribed to that term in the *Securities Act* (Ontario);

"**associate**" has the meaning ascribed to that term in the *Securities Act* (Ontario);

"**Belden**" means Belden Inc. or Belden CDT (Canada) Inc., a corporation incorporated under the laws of Ontario, and an indirectly wholly-owned subsidiary of Belden Inc. (as applicable);

"**Belden Circular**" means the take-over bid circular dated December 20, 2011 and forming part of the Belden Offer;

"**Belden Offer**" or "**Offer**" means the offer made by Belden on December 20, 2011 by way of a take-over bid to purchase, for \$22.00 per Share in cash, all of the issued and outstanding Shares, other than any Shares owned, directly or indirectly, by Belden and its affiliates and including Shares that may become issued or outstanding after the date of such offer but before the expiry time of such offer upon the exercise of options issued under the SOP or other rights to acquire Shares, upon the terms and subject to the conditions set forth in the offer to purchase accompanying the Belden Circular;

"**Bow Networks**" means Bow Networks Inc.;

"**Board**" or the "**Board of Directors**" means the Board of Directors of RuggedCom;

"**CAGR**" means compound annual growth rate;

"**Directors' Circular**" means this directors' circular dated January 4, 2012;

"**EBITDA**" has the meaning ascribed to that term in this Directors' Circular in the section "Non-IFRS Measures";

"**EV**" has the meaning ascribed to that term in this Directors' Circular in the section "Non-IFRS Measures";

"**EV/EBITDA**" has the meaning ascribed to that term in this Directors' Circular in the section "Reasons for unanimous rejection – The Belden Offer aims to take advantage of RuggedCom's depressed valuation";

"**fully-diluted basis**" means, with respect to the number of outstanding Shares at any time, the number of Shares that would be outstanding if all securities convertible into Shares (other than Rights), whether vested or unvested, were exercised, exchanged or converted;

"**GarrettCom**" means GarrettCom Inc., a wholly-owned subsidiary of Belden;

"**Georgeson**" means Georgeson Shareholder Communications Canada Inc., the information agent retained by RuggedCom in connection with the Belden Offer;

"**Hirschmann**" means Hirschmann Automation and Control GmbH, a wholly-owned subsidiary of Belden;

"**IFRS**" means the International Financial Reporting Standards established by the International Accounting Standards Board and as adopted by the Canadian Institute of Chartered Accountants;

"**Inadequacy Opinion**" means the written opinion of TD Securities described under the heading "Inadequacy Opinion of TD Securities";

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER
AND NOT TENDER ANY SHARES.

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"**insider**" has the meaning ascribed to that term in the *Securities Act* (Ontario);

"**IPO**" means RuggedCom's initial public offering completed in June 2007;

"**Options**" means options to subscribe for Shares issued under the SOP;

"**Participant**" means a director, officer, employee or other eligible person under the SOP to whom an Option has been granted under the SOP;

"**Right**" has the meaning ascribed to that term in this Directors' Circular in the section "Material Changes in the Affairs of RuggedCom – Shareholder Rights Plan";

"**Rights Plan**" has the meaning ascribed to that term in this Directors' Circular in the section "Background to the Belden Offer";

"**RuggedCom**" means RuggedCom Inc., a corporation incorporated under the laws of Ontario;

"**SEDAR**" means the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval, which is accessible online at www.sedar.com;

"**Shareholders**" means the holders of the Shares;

"**Shares**" means the common shares of RuggedCom;

"**SOP**" means RuggedCom's Amended and Restated 2004 Stock Option Plan, as amended from time to time;

"**Special Committee**" means the special committee of independent directors of the Board of Directors, which is comprised of J. Ian Giffen, Peter Crombie, and C. Ian Ross, and empowered to, among other things, consider the Belden Offer and, with the assistance of financial and legal advisors, to make recommendations to the Board of Directors with respect to the Belden Offer and to develop alternatives to the Belden Offer;

"**TD Securities**" means TD Securities Inc., financial advisor to the Special Committee;

"**TSX**" means the Toronto Stock Exchange;

"**United States**" or "**US**" means the United States of America, its territories and possessions and any State of the United States;

"**VWAP**" has the meaning ascribed to that term in this Directors' Circular in the section "Reasons for unanimous rejection – The Belden Offer aims to take advantage of RuggedCom's depressed valuation"; and

"**WiNetworks**" means WiNetworks, Inc.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com

APPENDIX "B"
INADEQUACY OPINION



TD Securities Inc.
TD Tower
66 Wellington Street West, 9th Floor
Toronto, Ontario M5K 1A2

January 3, 2012

The Special Committee of Board of Directors and the Board of Directors
RuggedCom Inc.
300 Applewood Crescent
Concord, Ontario
L4K 5C7

To the Special Committee of the Board of Directors and the Board of Directors:

TD Securities Inc. ("TD Securities") understands that Belden CDT (Canada) Inc. (the "Offeror"), a wholly-owned subsidiary of Belden Inc. ("Belden"), has made an offer (the "Belden Offer") to acquire all of the issued and outstanding common shares ("Shares") of RuggedCom Inc. ("RuggedCom" or the "Company") at a price of \$22.00 in cash per Share (the "Consideration"). The terms and conditions of the Offer are more fully described in the Offeror's offer to purchase and take-over bid circular dated December 20, 2011 (the "Take-over Bid Circular"), which has been mailed to holders of Shares ("RuggedCom Shareholders") in connection with the Offer.

TD Securities also understands that the Board of Directors of RuggedCom (the "Board of Directors") has established a committee (the "Special Committee"), to consider and respond to the Belden Offer, to review and pursue any other alternatives that may be in the best interests of RuggedCom Shareholders and to make recommendations thereon to the Board of Directors.

ENGAGEMENT OF TD SECURITIES

TD Securities was engaged by RuggedCom pursuant to an engagement agreement effective December 1, 2011 (the "Engagement Agreement") to provide financial advice and assistance to RuggedCom and, if requested, to prepare and deliver to the Special Committee and the Board of Directors an opinion (the "Opinion") as to the fairness of the Consideration offered to RuggedCom Shareholders pursuant to the Belden Offer, from a financial point of view, to RuggedCom Shareholders. TD Securities has not prepared a valuation of RuggedCom or any of its securities or assets and the Opinion should not be construed as such.

The terms of the Engagement Agreement provide that TD Securities will receive a fee for its services, a portion of which is payable on delivery of the Opinion and a portion of which is contingent on a change of control of RuggedCom or certain other events, and is to be reimbursed for its reasonable out-of-pocket expenses. Furthermore, RuggedCom has agreed to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, suits, proceedings, damages and liabilities which may arise directly or indirectly from services performed by TD Securities in connection with the Engagement Agreement.

On January 3, 2012, at the request of the Special Committee and the Board of Directors, TD Securities orally delivered the Opinion based on the scope of review and subject to the assumptions and limitations set out herein. The Opinion provides the same opinion, in writing, as of January 3, 2012. Subject to the terms of the Engagement Agreement, TD Securities consents to the inclusion of the Opinion, in its entirety, in the directors' circular of RuggedCom prepared in connection with the Belden Offer (the "Directors' Circular"), with a summary thereof, in a form acceptable to TD Securities, and to the filing thereof by RuggedCom with the applicable Canadian securities regulatory authorities.

CREDENTIALS OF TD SECURITIES

TD Securities is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment management and investment research. TD Securities has participated in a significant number of transactions involving public and private companies and has extensive experience in preparing valuations and fairness opinions.

The Opinion represents the opinion of TD Securities and its form and content have been approved by a committee of senior investment banking professionals of TD Securities, each of whom is experienced in merger, acquisition, divestiture, valuation, and fairness and adequacy opinion matters.

RELATIONSHIP WITH INTERESTED PARTIES

Neither TD Securities nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) (the "Securities Act")) of RuggedCom or the Offeror or any of their respective associates or affiliates (collectively, the "Interested Parties"). Neither TD Securities nor any of its affiliates is an advisor to any of the Interested Parties with respect to the Belden Offer other than to RuggedCom pursuant to the Engagement Agreement.

TD Securities and its affiliates have not been engaged to provide any financial advisory services, have not acted as lead or co-lead manager on any offering of securities of the Company or any other Interested Party, or had a material financial interest in any transaction involving the Company or any other Interested Party during the 24 months preceding the date on which TD Securities was first contacted in respect of the Opinion.

TD Securities acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of any Interested Party or other clients for which it may have received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to the Belden Offer, RuggedCom, or any other Interested Party.

The fees paid to TD Securities in connection with the Engagement Agreement in respect of the conclusions reached in the Opinion are not financially material to TD Securities. No understandings or agreements exist between TD Securities and RuggedCom or any other Interested Party with respect to future financial advisory or investment banking business. TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for RuggedCom, or any other Interested Party. The Toronto-Dominion Bank, the parent company of TD Securities, may provide banking services to RuggedCom or any other Interested Party.

SCOPE OF REVIEW

In connection with the Opinion, TD Securities reviewed and relied upon (without attempting to verify independently the completeness or accuracy of) or carried out, among other things, the following:

1. the Take-over Bid Circular;
2. a draft of the Directors' Circular dated January 2, 2012;
3. the audited annual financial statements of RuggedCom and management's discussion and analysis related thereto for the years ended March 31, 2011, 2010 and 2009;
4. the unaudited interim financial statements of RuggedCom and management's discussion and analysis related thereto for the three month periods ended September 30, 2011 and June 30, 2011;
5. annual information forms of the Company for the three years ended March 31, 2011, 2010 and 2009;
6. notices of annual meetings and management information circulars of the Company for each of the three years ended March 31, 2011, 2010 and 2009;
7. unaudited projected financial information for RuggedCom for the years ending March 31, 2012 through March 31, 2017 prepared by management of the Company;
8. various research publications prepared by equity research analysts regarding RuggedCom and other selected public companies considered relevant;
9. public information relating to the business, operations, financial performance and stock trading history of RuggedCom and other selected public companies considered relevant;
10. public information with respect to certain other transactions of a comparable nature considered relevant;
11. discussions with senior management of RuggedCom with respect to the information referred to above and other issues considered relevant;
12. representations contained in a certificate dated as of the date hereof from senior officers of RuggedCom;
13. discussions with certain parties concerning their potential interest in an transaction involving RuggedCom;
14. discussions with the members of the Board of Directors and the Special Committee;
15. discussions with representatives of Bennett Jones LLP and McCarthy Tétrault LLP, legal counsel to RuggedCom and the Special Committee, respectively; and
16. such other corporate, industry, and financial market information, investigations and analyses as TD Securities considered necessary or appropriate in the circumstances.

TD Securities has not, to the best of its knowledge, been denied access by RuggedCom to any information requested by TD Securities. TD Securities did not meet with the auditors of RuggedCom and has assumed the accuracy, completeness and fair presentation of, and has relied upon, without independent verification, the financial statements of RuggedCom and any reports of the auditors thereon.

PRIOR VALUATIONS

RuggedCom has represented to TD Securities that, among other things, it has no knowledge of any prior valuations or appraisals relating to RuggedCom or any affiliate or any of their respective material assets, or liabilities made in the preceding 24 months and in the possession or control of RuggedCom other than those which have been provided to TD Securities or, in the case of valuations or appraisals known to RuggedCom which it does not have within its possession or control, notice of which has not been given to TD Securities.

ASSUMPTIONS AND LIMITATIONS

With the Board of Directors' and the Special Committee's acknowledgement and agreement as provided for in the Engagement Agreement, TD Securities has relied upon the accuracy, completeness and fair presentation of all data and other information filed by RuggedCom with securities regulatory or similar authorities (including on the System for Electronic Document Analysis and Retrieval ("SEDAR")), provided to it by or on behalf of RuggedCom, or otherwise obtained by TD Securities, including the certificate identified below (collectively, the "Information"). The Opinion is conditional upon such accuracy, completeness and fair presentation. Subject to the exercise of professional judgment, and except as expressly described herein, TD Securities has not attempted to verify independently the accuracy or completeness of any of the Information.

With respect to the budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses, TD Securities notes that projecting future results is inherently subject to uncertainty. TD Securities has assumed, however, that such budgets, forecasts, projections and estimates were prepared using the assumptions identified therein which TD Securities has been advised are (or were at the time of preparation and continue to be) reasonable in the circumstances. TD Securities expresses no independent view as to the reasonableness of such budgets, forecasts, projections and estimates or the assumptions on which they are based.

Senior officers of RuggedCom have represented to TD Securities in a certificate dated January 3, 2012, among other things, that after due inquiry: (i) RuggedCom has no information or knowledge of any facts public or otherwise not specifically provided to TD Securities relating to RuggedCom which would reasonably be expected to affect materially the Opinion to be given by TD Securities; (ii) with the exception of forecasts, projections or estimates referred to in subparagraph (iv) below, the Information as filed under RuggedCom's profile on SEDAR and/or provided to TD Securities by or on behalf of RuggedCom or its representatives in respect of RuggedCom and its affiliates in connection with the Belden Offer is or, in the case of historical Information was, at the date of preparation, true, complete and accurate and did not and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the Information not misleading in the light of circumstances in which it was provided; (iii) to the extent that any of the Information identified in subparagraph (ii) above is historical, there have been no changes in any material facts or new material facts since the respective dates thereof which have not been disclosed to TD Securities or updated by more current information not provided to TD Securities by RuggedCom and there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of RuggedCom and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion; (iv) any portions of

the Information provided to TD Securities (or filed on SEDAR) which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of RuggedCom, are (or were at the time of preparation and continue to be) reasonable in the circumstances; (v) there have been no valuations or appraisals relating to RuggedCom or any affiliate or any of their respective material assets or liabilities made in the preceding 24 months and in the possession or control of RuggedCom other than those which have been provided to TD Securities or, in the case of valuations known to RuggedCom which it does not have within its possession or control, notice of which has not been given to TD Securities; (vi) there have been no verbal or written offers or serious negotiations for or transactions involving any material property of RuggedCom or any of its affiliates during the preceding 24 months which have not been disclosed to TD Securities (for the purposes of subparagraphs (v) and (vi), “material assets”, “material liabilities” and “material property” shall include assets, liabilities and property of RuggedCom or its affiliates having a gross value greater than or equal to \$10,000,000); (vii) since the dates on which the Information was provided to TD Securities (or filed on SEDAR), no material transaction has been entered into by RuggedCom or any of its affiliates; (viii) other than as disclosed in the Information, neither RuggedCom nor any of its affiliates has any material contingent liabilities and there are no actions, suits, claims, proceedings, investigations or inquiries pending or threatened against or affecting the Belden Offer, RuggedCom or any of its affiliates at law or in equity or before or by any federal, national, provincial, state, municipal or other governmental department, commission, bureau, board, agency or instrumentality which may, in any way, materially adversely affect RuggedCom or its affiliates or the Belden Offer; (ix) subject to a change in financial reporting regarding the new application of International Financial Reporting Standards, all financial material, documentation and other data concerning the Belden Offer, RuggedCom and its affiliates, including any projections or forecasts provided to TD Securities, were prepared on a basis consistent in all material respects with the accounting policies applied in the most recent audited consolidated financial statements of RuggedCom; (x) there are no agreements, undertakings, commitments or understandings (whether written or oral, formal or informal) relating to the Belden Offer, except as have been disclosed in complete detail to TD Securities; (xi) the contents of any and all documents prepared by or on behalf of RuggedCom in connection with the Belden Offer for filing with regulatory authorities or delivery or communication to securityholders of RuggedCom (collectively, the “Disclosure Documents”) have been, are and will be true, complete and correct in all material respects and have not and will not contain any misrepresentation (as defined in the Securities Act) and the Disclosure Documents have complied, comply and will comply with all requirements under applicable laws; (xii) RuggedCom has complied in all material respects with the Engagement Agreement; and (xiii) there is no plan or proposal for any material change (as defined in the Securities Act) in the affairs of RuggedCom which has not been disclosed to TD Securities.

In preparing the Opinion, TD Securities has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to TD Securities, all conditions precedent to be satisfied to complete the Belden Offer can be satisfied, that all approvals, authorizations, consents, permissions, exemptions or orders of relevant regulatory authorities required in respect of or in connection with the Belden Offer will be obtained, without adverse condition or qualification, that all steps or procedures being followed to implement the Belden Offer are valid and effective, that all required documents (including the Take-over Bid Circular and the Directors’ Circular) have been or will be distributed to the RuggedCom Shareholders in accordance with applicable laws, and that the disclosure in such documents is or will be accurate, in all material respects, and is or will comply, in all material respects, with the requirements of all applicable laws. In its analysis in connection with the preparation of the Opinion, TD Securities made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of TD Securities or any party involved in the Belden Offer.

The Opinion has been provided for the use of the Board of Directors and the Special Committee in connection with the Belden Offer and is not intended to be, and does not constitute, a recommendation

that RuggedCom Shareholders tender or not tender their RuggedCom Shares to the Belden Offer. The Opinion may not be used or relied upon by any other person or for any other purpose without the express prior written consent of TD Securities. The Opinion does not address the relative merits of the Belden Offer as compared to other transactions or business strategies that might be available to RuggedCom. In considering fairness, from a financial point of view, TD Securities considered the Belden Offer from the perspective of RuggedCom Shareholders generally and did not consider the specific circumstances of any particular RuggedCom Shareholder, including with regard to income tax considerations. TD Securities expresses no opinion with respect to future trading prices of securities of RuggedCom. The Opinion is rendered as of January 3, 2012 on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of RuggedCom and its respective subsidiaries and affiliates as they were reflected in the Information provided to TD Securities. Any changes therein may affect the Opinion and, although TD Securities reserves the right to change or withdraw the Opinion in such event, it disclaims any undertaking or obligation to advise any person of any such change that may come to its attention, or update the Opinion after such date. TD Securities is not an expert on, and did not provide advice to the Board of Directors or the Special Committee regarding, legal, accounting, regulatory or tax matters.

The preparation of an opinion is a complex process and is not necessarily amenable to partial analysis or summary description. TD Securities believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Opinion. Accordingly, the Opinion should be read in its entirety.

CONCLUSION

Based upon and subject to the foregoing and such other matters that TD Securities considered relevant, TD Securities is of the opinion that, as of January 3, 2012, the Consideration offered to the RuggedCom Shareholders, pursuant to the Belden Offer is inadequate, from a financial point of view, to the RuggedCom Shareholders.

Yours very truly,

TD Securities Inc.

TD SECURITIES INC.

APPENDIX "C"
SUMMARY OF RIGHTS PLAN

The following is a summary of the principal terms of the Rights Plan. Capitalized terms that are not defined herein or in the Directors' Circular have the meaning given to them in the Rights Plan. This summary is qualified by and is subject to the full terms and conditions of the Rights Plan, a copy of which is available at www.sedar.com.

Issue of Rights

The Rights Plan became effective on December 23, 2011. One Right was issued to Shareholders of record on that date and will be attached to each outstanding Share. One Right will also be issued and attached to each Share issued thereafter, subject to the limitations set forth in the Rights Plan.

Acquiring Person

An "Acquiring Person" is a person that Beneficially Owns 20% or more of the outstanding Shares. However, an Acquiring Person does not include RuggedCom or any subsidiary of RuggedCom, or any person that would otherwise become an Acquiring Person as a result of certain exempt transactions. These exempt transactions include, among others: (i) specified acquisitions of securities of RuggedCom, (ii) acquisitions pursuant to a Permitted Bid or Competing Permitted Bid (as described below), (iii) specified distributions of securities of RuggedCom, (iv) certain other specified exempt acquisitions, and (v) transactions to which the application of the Rights Plan has been waived by the Board.

Rights Exercise Privilege

The Rights will separate from the Shares to which they are attached and will become exercisable at the later of (a) the close of business on the tenth Business Day after the earliest of: (i) the first date of public announcement that an Acquiring Person has become an Acquiring Person; (ii) the date of commencement of, or first public announcement of the intent of any person to commence, a takeover bid, other than a Permitted Bid or Competing Permitted Bid, (iii) the date upon which a Permitted Bid or a Competing Permitted bid ceases to be such, or (b) if any of the circumstances in (a) occurred prior to the effective date of the Rights Plan, on the tenth Business Day after the effective date, or in each case such later date as the Board may determine (the "Separation Time").

As a result of the public announcement by Belden on December 19, 2011 of its intention to make the Initial Offer, the Separation Time would have occurred at the close of business on January 11, 2012. However, the Board has determined that it is in the best interests of RuggedCom, its Shareholders and other stakeholders to defer the Separation Time. Subject to adjustment as provided in the Rights Plan, following the Separation Time, each Right will entitle the holder to purchase Shares for an exercise price (the "Exercise Price") equal to \$80.

A transaction in which a person becomes an Acquiring Person is referred to as a "Flip-in Event". Any Rights Beneficially Owned by an Acquiring Person (or any transferee of such Rights) after the earlier of the Separation Time or the first date of public announcement by RuggedCom or an Acquiring Person that an Acquiring Person has become such, will become void upon the occurrence of a Flip-in Event. After the close of business on the tenth Business Day after the first date of public announcement by RuggedCom or an Acquiring Person that an Acquiring Person has become such, each Right (other than those Beneficially Owned by the Acquiring Person or any transferee of such Rights) will entitle the holder to purchase, for the Exercise Price, that number of Shares having an aggregate market price (based on the prevailing market price at the time of the consummation or occurrence of the Flip-in Event) equal to twice the Exercise Price, subject to adjustment in certain circumstances. In other words, all

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Shareholders other than the Acquiring Person and those associated or acting with the Acquiring Person are entitled to purchase a substantial number of treasury shares at half price.

Impact Once Rights Plan is Triggered

Upon the occurrence of a Flip-in Event and the Rights separating from the attached Shares, holders of Rights who do not exercise their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

By permitting holders of Rights other than Rights Beneficially Owned by an Acquiring Person (or any transferee of such Rights) to acquire Shares at a discount to market value, the Rights may cause substantial dilution to a person or group that becomes an Acquiring Person other than by way of a Permitted Bid or a Competing Permitted Bid or other than in circumstances where the Rights are redeemed or the Board waives the application of the Rights Plan.

Certificates and Transferability

Prior to the Separation Time, certificates for Shares will also evidence one Right for each Share represented by the certificate. Certificates evidencing Shares issued after the Separation Time will bear a legend to this effect. Rights are also attached to Shares outstanding on the Separation Time, although share certificates already outstanding on that date will not bear the legend. Prior to the Separation Time, Rights will not be transferable separately from the attached Shares. From and after the Separation Time, the Rights will be evidenced by Rights certificates which will be transferable and traded separately from the Shares.

Permitted Bids and Competing Permitted Bids

The Rights Plan is not triggered if an offer would, among other things, allow sufficient time for the Shareholders to consider and react to the offer and would allow Shareholders to decide to tender or not tender without the concern that they will be left with illiquid Shares should they not tender.

A "Permitted Bid" is a takeover bid which is made by way of a takeover bid circular to all Shareholders, other than the Offeror, for all outstanding Shares and the bid is subject to irrevocable and unqualified conditions that (i) no Shares shall be taken up or paid for prior to a date which is not less than 75 days after the date of the bid and then only if more than 50% of the outstanding Shares held by Independent Shareholders have been tendered to the bid and not withdrawn, (ii) Shares may be deposited pursuant to the bid (unless the bid is withdrawn) at any time prior to the close of business on the date Shares are first taken up and paid for under the bid, (iii) any Shares deposited pursuant to the bid may be withdrawn until taken up and paid for, and (iv) if the 50% condition set forth in (i) above is satisfied, that fact will be publicly announced and the bid will be extended for at least 10 Business Days following such announcement.

A "Competing Permitted Bid" is a takeover bid made after a Permitted Bid or another Competing Bid has been made and prior to the expiry of that Permitted Bid or Competing Permitted Bid and that satisfies all the criteria of a Permitted Bid except that since it is made after a Permitted Bid has been made, the minimum deposit period and the time period for the take-up of and payment for Shares tendered under a Competing Permitted Bid is not 75 days, but is instead the later of (i) the last day on which a takeover bid must be open for acceptance after the date of such bid under applicable securities legislation, and (ii) the earliest date for take-up and payment of Shares under any other Permitted Bid or Competing Permitted Bid then in existence. Neither a Permitted Bid nor a Competing Permitted Bid is required to be approved by the Board and such bids may be made directly to Shareholders. Acquisitions of Shares made pursuant to a Permitted Bid or a Competing Permitted Bid do not give rise to a Flip-in Event.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS REJECT THE BELDEN OFFER AND NOT TENDER ANY SHARES.

If you have any questions, please contact Georgeson Shareholder Communications Canada Inc. at 1-866-374-9877 or askus@georgeson.com

Waiver

The Board may, at any time prior to the occurrence of a Flip-in Event that would occur by reason of an acquisition of Shares (otherwise as outlined in the paragraphs below), waive the application of the Rights Plan to the Flip-in Event.

The Board may also waive the application of the Rights Plan to a Flip-in Event provided that the Board has determined that the Acquiring Person became an Acquiring Person by inadvertence without any intention to become or knowledge that it would become, an Acquiring Person if the Acquiring Person has reduced its beneficial ownership of Shares so that it is no longer an Acquiring Person. Similarly, the Board may waive the application of the Rights Plan to a Flip-in Event provided that the Acquiring Person has reduced or has contractually agreed to reduce its beneficial ownership of Shares so that it would no longer be an Acquiring Person.

The Board may also, prior to the occurrence of a Flip-in Event, waive the application of the Rights Plan to a particular Flip-in Event which would occur as a result of a take-over bid for all Shares made under a takeover bid circular prepared in accordance with applicable securities laws. In that event, the Board is deemed to have waived the application of the Rights Plan to any other Flip-in Event occurring as a result of any other takeover bid for all Shares made under a circular prepared in accordance with applicable securities laws prior to the expiry of any takeover bid for which the Rights Plan has been waived or deemed to have been waived.

Redemption

Until the occurrence of a Flip-in Event which has not been waived, the Board may, at any time, elect to redeem all but not less than all of the then outstanding Rights at \$0.001 per Right. If, prior to the occurrence of a Flip-in Event, a person acquires Shares pursuant to a Permitted Bid, a Competing Permitted Bid or pursuant to a takeover bid for which the Board has waived the application of the Rights Plan, then the Board of Directors shall, immediately upon the consummation of such acquisition, without further formality, be deemed to have elected to redeem the Rights at the redemption price.

Amendment

The Board may amend the Rights Plan.

Effective Time and Term

The Rights Plan is effective from December 23, 2011. The Rights Plan and all outstanding Rights will terminate and be void on and from the close of business on June 23, 2012.

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ANY QUESTIONS OR REQUESTS FOR ASSISTANCE MAY BE DIRECTED TO OUR INFORMATION AGENT:

Georgeson

North American Toll Free Number: 1-866-374-9877

Email: askus@georgeson.com

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