



NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS AND MANAGEMENT
INFORMATION CIRCULAR

April 6, 2015

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Exchange Income Corporation

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION

Exchange Income Corporation (the "Corporation") will hold its annual and special meeting (the "Meeting") of the holders ("Shareholders") of its common shares ("Shares") at the Calm Air Hangar located at 930 Ferry Road, Winnipeg, Manitoba, R3H 0Y8 on May 13, 2015 at 10:30 a.m. (Winnipeg Time) for the following purposes:

1. to receive and consider the Corporation's consolidated financial statements for the period ended December 31, 2014, together with the auditor's report on those statements;
2. to appoint an auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation (the "Directors") to fix the auditor's remuneration;
3. to elect Directors of the Corporation for the ensuing year as identified in the accompanying management information circular (the "Circular");
4. to approve the Second Amended and Restated General By-Law No. 1;
5. to re-approve the Deferred Share Plan of the Corporation; and
6. to transact any other business properly brought before the Meeting and at any and all adjournments thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular.

The record date for the determination of Shareholders entitled to receive notice of and to attend and vote at the Meeting is April 2, 2015. Only Shareholders whose names have been entered in the register of Shareholders at the close of business on that date and holders of Shares issued by the Corporation after such date and prior to the Meeting will be entitled to receive notice of and to vote at the Meeting; provided that, to the extent a Shareholder transfers the ownership of any Shares after such date and the transferee of those Shares establishes that such transferee owns the Shares and demands, not later than ten days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Shares at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be received by the Chair of the Corporation, at Proxy Department, CST Trust Company, PO Box 721, Agincourt, Ontario, M1S 0A1, or by email to proxy@canstockta.com or by facsimile to 416-368-2502 (Toll Free: 1-866-781-3111 Canada & US Only) not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. A proxy is valid only at the meeting in respect of which it is given or any adjournment(s) of that meeting. Unregistered Shareholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.

Winnipeg, Manitoba
April 6, 2015

By Order of the Directors

"Dianne Spencer"

Dianne Spencer
Corporate Secretary

GLOSSARY

Capitalized terms used in this Circular have the meanings ascribed to them below.

“**Arrangement**” means the arrangement under section 192 of the *Canada Business Corporations Act* pursuant to which, among other things, the Fund was converted into the Corporation effective July 28, 2009;

“**Audit Committee**” means the audit committee of the Board;

“**Aviation Sector Advisory Committee**” means the aviation sector advisory committee of the Board;

“**Board**” means the board of directors of the Corporation;

“**Circular**” means this management information circular dated April 6, 2015 in respect of the Meeting;

“**Compensation Committee**” means the compensation committee of the Board;

“**Corporation**” means Exchange Income Corporation;

“**Deferred Share Plan**” means the third amended and restated deferred share plan of the Corporation dated May 14, 2013;

“**Deferred Shares**” means deferred shares issued by the Corporation pursuant to the Deferred Share Plan;

“**Director**” means a director of the Corporation and “**Directors**” means all of the directors of the Corporation;

“**Disclosure and Competition Committee**” means the disclosure and competition committee of the Board;

“**ESPP**” means the amended and restated employee share purchase plan of the Corporation dated May 13, 2010;

“**Fund**” means Exchange Industrial Income Fund, the predecessor to the Corporation;

“**Governance Committee**” means the governance committee of the Board;

“**Independent Directors**” means the Directors who are independent within the meaning of NI 58-101;

“**Management Nominees**” means Michael Pyle and Gary Filmon;

“**Manufacturing Sector Advisory Committee**” means the manufacturing sector committee of the Board;

“**Meeting**” means the annual and special meeting of Shareholders to be held on May 13, 2015 at the time and place set forth in the Notice of Meeting and, where the context requires, includes any adjournment thereof;

“**NI 52-110**” means National Instrument 52-110 *Audit Committees*;

“**NI 58-101**” means National Instrument 58-101 *Disclosure of Corporate Governance Practices*;

“**Notice of Meeting**” means the notice of the Meeting accompanying this Circular;

“**NP 58-201**” means National Policy 58-201 *Corporate Governance Guidelines*;

“**Ordinary Resolution**” means the affirmative vote of not less than a majority of votes cast by Shareholders with respect to a particular matter;

“**Record Date**” means April 2, 2015;

“**TSX**” means the Toronto Stock Exchange;

“**Share**” means a common share of the Corporation; and

“**Shareholder(s)**” means the holder(s) of Shares.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Circular and the accompanying form of proxy are for use at the Meeting of the Corporation and any adjournments or postponements thereof for the purposes described in the accompanying Notice of Meeting. The Meeting is scheduled for 10:30 a.m. (Winnipeg Time) on May 13, 2015 at:

Calm Air Hangar
930 Ferry Road
Winnipeg, MB R3H 0Y8

Proxies are being solicited by the management of the Corporation. Solicitations of proxies will be primarily by mail, but may also be solicited personally by officers or Directors of the Corporation, at a nominal cost. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

Except as otherwise stated, the information contained herein is given as of the date of this Circular.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxies

The Management Nominees have been selected by the Directors and have indicated their willingness to represent Shareholders who appoint them as their proxy for the Meeting.

A Shareholder has the right to designate a person (who need not be a Shareholder) other than the Management Nominees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the enclosed instrument of proxy the name of the person to be designated and striking out the names of the Management Nominees, or by completing another proper instrument of proxy. Such Shareholder should notify the nominee of the appointment, obtain his or her consent to act as proxy and should provide instructions on how the Shareholder's Shares are to be voted. In any case, an instrument of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached where an attorney has executed the instrument of proxy.

Shareholders of record at the close of business on the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting and any adjournment thereof, except to the extent such Shareholder transfers any of such Shareholder's Shares after the Record Date and the transferee of those Shares establishes that the transferee owns the Shares and demands, not later than ten days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote, in which case the transferee shall be entitled to vote the Shares at the Meeting.

Shareholders unable to attend the Meeting in person are requested to read this Circular and the accompanying form of proxy and to complete, sign and date the proxy together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof and deliver it to the Chair of the Corporation at Proxy Department, CST Trust Company, PO Box 721, Agincourt, Ontario, M1S 0A1, or by email to proxy@canstockta.com or by facsimile to 416-368-2502 (Toll Free: 1-866-781-3111 Canada & US Only) not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. A proxy is valid only at the meeting in respect of which it is given or any adjournment(s) of that meeting. Unregistered Shareholders who received the proxy through an intermediary must deliver the proxy in accordance with the instructions given by such intermediary.

Revocation of Proxies

A Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been held pursuant to its authority by an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized and deposited at either the above mentioned office of CST Trust Company or at the Corporation's head office, Attention: Chair, by no later than 3:30 p.m. (Winnipeg time) on or before the last business day preceding the day of the Meeting or any adjournment thereof, or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof. Notwithstanding the foregoing, if a registered Shareholder attends personally at the Meeting, such Shareholder may revoke the proxy and vote in person. The head office of the Corporation is 1067 Sherwin Road, Winnipeg, Manitoba, R3H 0T8.

Voting by Non-Registered Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are "non-registered" Shareholders ("Non-Registered Shareholders") because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares. Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (an "Intermediary") that the Non-Registered Shareholder deals with in respect of Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and Directors); or (ii) in the name of a clearing agency (such as CDS Clearing and

Depository Services Inc.) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Corporation will have distributed copies of the Notice of Meeting, this Circular and the form of proxy and the request form (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow. Typically, the voting instruction form will consist of one page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with the Chair of the Corporation, c/o Proxy Department, CST Trust Company, PO Box 721, Agincourt, Ontario, M1S 0A1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Shares of the Corporation they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the form of proxy and insert the Non-Registered Shareholder's name or such other person's name in the blank space provided. In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or voting instruction form is to be delivered.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

All references to Shareholders in this Circular and the accompanying proxy and Notice of Meeting are to Shareholders of record unless specifically stated otherwise.

Voting of Proxies

The persons named in the accompanying form of proxy will vote or withhold from voting the Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing them. **In the absence of such direction, those Shares will be voted in favour of ("For") each of the matters identified in the Notice of Meeting.**

Exercise of Discretion of Proxy

The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to any amendments or variations to matters identified in the Notice of Meeting and this Circular and with respect to matters that may properly come before the Meeting. At the date of this Circular, management of the Corporation does not know of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting and this Circular.

INFORMATION RESPECTING EXCHANGE INCOME CORPORATION

General

The head office of the Corporation is located at 1067 Sherwin Road, Winnipeg, Manitoba, R3H 0T8.

Authorized Capital

The Corporation currently has one class of shares issued and outstanding that entitles holders thereof to vote at the Meeting, such class being the Shares. The Corporation is entitled to issue an unlimited number of Shares. Each Share outstanding on the Record Date is entitled to one vote at the Meeting.

Voting Securities and the Principal Holders of Voting Securities

As at the date of this Circular, the Corporation has 23,101,320 Shares issued and outstanding. To the knowledge of management no person beneficially owns, directly or indirectly, or controls or directs more than 10% of the outstanding Shares. The holders of Shares are entitled to receive notice of and attend any meeting of the Shareholders of the Corporation and are entitled to one vote thereat for each Share held by them respectively.

Each person who is a holder of a Share at the close of business on the Record Date will be entitled to notice of and to attend and vote at the Meeting except to the extent such Shareholder transfers the ownership of any of such holder's Shares after the Record Date and the transferee of those Shares produces properly endorsed Share certificates or otherwise establishes that the transferee owns such Shares and demands, not later than ten days before the Meeting, that such transferee's name be included in the list of Shareholders entitled to vote at the Meeting. Such transferee is entitled to vote such Shares at the Meeting.

To the knowledge of the Corporation's management, the only matters to be placed before the Meeting are the matters set forth in the notice of Meeting as further described below.

Interest of Certain Persons in Matters to be Acted Upon

To the knowledge of management, none of the Directors or executive officers of the Corporation, or any nominees for election as a Director, or any associate or affiliate of any such person, has any material interest, direct or indirect, by way of securities or otherwise in any matters to be acted upon at the Meeting, other than as set forth below.

PARTICULARS OF MATTERS TO BE ACTED ON AT THE MEETING

1. Appointment of Auditor

It is proposed that PricewaterhouseCoopers LLP be appointed as the Corporation's auditor until the next annual meeting of the Shareholders and that the Directors be authorized to fix the auditor's remuneration. PricewaterhouseCoopers LLP has been the Corporation's auditor since May 14, 2013 when it replaced Deloitte LLP as the Corporation's auditor.

To be effective, the resolution approving the appointment of the auditor and authorizing the Directors to fix the auditor's remuneration must be passed at the Meeting. The Directors recommend a vote FOR the appointment of the auditor and authorizing the Directors to fix the auditor's remuneration. In the absence of a contrary instruction, the Management Nominees intend to vote FOR the appointment of the auditor and authorizing the Directors to fix the auditor's remuneration.

2. Election of Directors

The articles of the Corporation provide for a minimum of one Director and a maximum of 15 Directors. At present there are ten Directors. The Board has nominated ten Directors for approval at the Meeting. The Shareholders are entitled to elect the Directors of the Corporation. The Directors of the Corporation are elected to hold office until the next annual meeting of the Shareholders or until their successors are appointed.

The following tables set forth the names of and certain additional information regarding the nominees for election as Directors. Except as noted, each nominee has held the principal occupation set forth below his/her name for the past five years. The additional information includes the number of Shares and Deferred Shares owned (directly or indirectly and over which control or direction is exercised) as of the date of this Circular for 2014 and as of the date of the previous year's management information circular of the Corporation (April 10, 2014) for 2013. The Share ownership requirements noted for each Director are more fully described in the Corporation's Director Share Ownership Policy which is described in "Corporate Governance – Director Share Ownership Policy". The estimated value of each Director's Shares and Deferred Shares is based on the following:

Year	Share price
2014	\$23.20 (closing price on December 31, 2014)
2013	\$22.60 (closing price on December 31, 2013)

<p>Hon. Gary Filmon, P.C., O.C., O.M.</p> <p>Winnipeg, MB</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 72</p> <p>Status: Independent</p>	<p>Mr. Filmon is currently the Chair of the Board.</p> <p>Mr. Filmon is a Corporate Director. Mr. Filmon holds a Master's degree in Civil Engineering from the University of Manitoba. He is a director of Manitoba Telecom Services Inc., a director of Canadian Natural Resources Limited, was the Chairman of FWS Construction Ltd. until March 31, 2014 and is and has been a business consultant since 2000. Prior thereto he was Premier of the Province of Manitoba from 1988 to 1999. Mr. Filmon was previously a director of Moffat Communications Ltd., Pollard Banknote Limited, director and Chair of FWS Construction Ltd., director and vice-chair of Wellington West Capital Inc., and chair of Canada's Security and Intelligence Review Committee. Mr. Filmon is a member of the Order of Manitoba and an Officer of the Order of Canada.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				16 of 16	100%	
	Audit Committee (resigned from committee May 15, 2014)				2 of 2	100%	
	Governance Committee				4 of 4	100%	
	Manufacturing Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Corporate governance • Strategic planning • Capital markets 						
	Other Current Public Company Directorships						
	Manitoba Telecom Services Ltd.				2003 to present		
	Canadian Natural Resources Limited				2006 to present		
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	53,260	11,641	64,901	\$1,505,703	\$225,000	100%
2013	68,864	4,145	73,009	\$1,650,003	\$225,000	100%	

<p>Duncan D. Jessiman Q.C.</p> <p>Winnipeg, MB</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 68</p> <p>Status: Non-Independent</p>	<p>Mr. Jessiman is currently the Executive Vice-Chair in charge of special projects and chairs the Disclosure and Competition Committee.</p> <p>Mr. Jessiman holds a Bachelor of Commerce degree and a Law degree from the University of Manitoba and developed the concept for the Corporation with Mr. Pyle and started it in 2002. Mr. Jessiman originally served as Chair and Chief Executive Officer of the Corporation, but gave up the Chair in 2005 in accordance with good governance practices at the time. He then gave up the position of CEO on August 1, 2006 for family reasons and became Executive Vice-Chair in charge of special projects.</p> <p>Before starting the Corporation, Mr. Jessiman practiced law in Winnipeg in the areas of corporate, commercial and securities law. Mr. Jessiman was a member of the TSXV Winnipeg Local Advisory Committee; former director of Consolidated Properties Ltd., a TSX listed company; former director of Geocrude Energy Inc., a TSX listed company which was taken over by Canada North West Energy Inc.; former director of Pan Cana Industries Ltd., a TSX listed company which was taken over by Geocrude Energy Inc.; and a former director of Enerplus Energy Services Ltd., the management company for Enerplus Resources Fund.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				16 of 16	100%	
	Governance Committee				4 of 4	100%	
	Disclosure and Competition Committee				4 of 4	100%	
	Aviation Sector Advisory Committee				4 of 4	100%	
	Manufacturing Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Business law • Corporate development, mergers and acquisitions • Capital markets 						
	Other Current Public Company Directorships						
	None						
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	99,043	30,619	129,662	\$3,008,158	\$120,000	100%
2013	99,043	27,668	126,711	\$2,863,669	\$120,000	100%	

<p>Donald Streuber, FCA</p> <p>Winnipeg, MB</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 57</p> <p>Status: Independent</p>	<p>Mr. Streuber currently chairs the Audit Committee and chairs the Aviation Sector Advisory Committee.</p> <p>Mr. Streuber is President and CEO of Bison Transport Inc. Bison is one of Canada's largest van truckload carriers of freight and has been recognized as one of Canada's 50 best managed companies for the last 21 years. Prior to joining Bison in 1999, Mr. Streuber was a partner at Sill Streuber Fiske & Company, Chartered Accountants. In 2012 Mr. Streuber received his F.C.A. designation from the Institute of Chartered Accountants of Manitoba.</p> <p>Mr. Streuber is the Chairman of CentrePort Canada Inc., past Chairman of the Canadian Trucking Alliance, past Chairman of the Business Council of Manitoba, past Chairman for Providence College and Seminary, a member of the Canadian Council of Chief Executives and Vice Chairman for the Assiniboine Park Conservancy.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				16 of 16	100%	
	Audit Committee				5 of 5	100%	
	Governance Committee				4 of 4	100%	
	Aviation Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Audit and accounting • Marketing and sales • Mergers and acquisitions 						
	Other Current Public Company Directorships						
	None						
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	310,456	5,712	316,168	\$7,335,098	\$120,000	100%
	2013	302,289	2,261	304,550	\$6,882,830	\$120,000	100%

<p>Michael Pyle, MBA</p> <p>Winnipeg, MB</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 50</p> <p>Status: Non-Independent</p>	<p>Mr. Pyle is the Chief Executive Officer of the Corporation. Together with Mr. Jessiman, Mr. Pyle developed the initial concept of the Corporation in 2002. Mr. Pyle has held the position of CEO since August 2006.</p> <p>Mr. Pyle holds a Bachelor of Arts degree (Economics) and a MBA (Finance) from the University of Manitoba. He served in positions of increasing seniority culminating as President of The Arctic Glacier Income Fund (and its predecessor, The Arctic Group Inc.) from 1998 to 2002. He previously worked with RoyNat Capital in Winnipeg from 1990 to 1996 and from 1997 to 1998. Mr. Pyle was employed as the Vice-President of Corporate Development for Westsun International Inc. in Winnipeg from 1996 to 1997.</p> <p>Mr. Pyle is currently a director of CentrePort Canada Inc. and a director of Sport Manitoba. Mr. Pyle devotes the majority of his time to the Corporation.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				16 of 16	100%	
	Disclosure and Competition Committee				4 of 4	100%	
	Aviation Sector Advisory Committee				4 of 4	100%	
	Manufacturing Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Operations • Capital markets • Mergers and acquisitions 						
	Other Current Public Company Directorships						
	None						
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	10,527	107,144	117,671	\$2,729,967	\$120,000	100%
	2013	10,527	55,085	65,612	\$1,482,831	\$120,000	100%

<p>Gary Buckley</p> <p>Winnipeg, MB</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 54</p> <p>Status: Independent</p>	<p>Mr. Buckley is the Chair of the Compensation Committee.</p> <p>Mr. Buckley holds a Bachelor of Commerce from the University of Alberta. Mr. Buckley has been involved in the hotel and hospitality industry since 1983. Since 1998, Mr. Buckley has been the co-owner and operator of the Elkhorn Resort & Conference Center in Clear Lake, Manitoba. Mr. Buckley is also the largest shareholder of Genesis Hospitality Inc., which owns various hotel properties in Manitoba and elsewhere. Mr. Buckley is also the owner of additional hotel and mobile home properties. Mr. Buckley is currently a director of Pavilion Financial Corporation, and past director of Temple Hotels Inc. (formerly Temple Real Estate Investment Trust). Mr. Buckley is also currently a director of Cancer Care Manitoba Foundation (non-profit) and was previously on the board of several other non-profit organizations.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				16 of 16		100%
	Audit Committee				5 of 5		100%
	Compensation Committee				4 of 4		100%
	Manufacturing Committee				4 of 4		100%
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Financial • Human resources / compensation • Strategic planning 						
	Other Current Public Company Directorships						
	None						
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	249,483	5,712	255,195	\$5,920,524	\$120,000	100%
	2013	234,702	2,261	236,963	\$5,355,364	\$120,000	100%

<p>Edward Warkentin LL.B.</p> <p>Winnipeg, MB</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 65</p> <p>Status: Independent</p>	<p>Mr. Warkentin is the Chair of the Manufacturing Sector Advisory Committee.</p> <p>Mr. Warkentin holds a Bachelor of Arts degree from the University of Winnipeg, a law degree from the University of Manitoba and has been a member of the Bars of Ontario and Manitoba for more than 35 years. Mr. Warkentin was a partner at Pitblado & Hoskin before leaving in 1998 to join Aikins, MacAulay & Thorvaldson LLP where he practices in the area of corporate and commercial law and served as Managing Partner for ten years.</p> <p>Formerly he was a director of Manitoba Mineral Resources Ltd., the Chair and director of Youth for Christ (Winnipeg) Inc. and a director of Grace Hospital Board of Management. Mr. Warkentin is currently the Chair and a trustee of Artis Real Estate Investment Trust, a real estate investment trust listed on the TSX and a director of several private corporations, foundations and partnerships.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				14 of 16		88%
	Compensation Committee				4 of 4		100%
	Manufacturing Sector Advisory Committee				4 of 4		100%
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Business law • Corporate governance • Financial 						
	Other Current Public Company Directorships						
	Artis Real Estate Investment Trust (trustee)				2004 to present		
	All in West! Capital Corporation				2007 to present		
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	21,200	5,712	26,912	\$624,358	\$120,000	100%
	2013	21,200	2,261	23,461	\$530,219	\$120,000	100%

<p>Brad Bennett O.B.C.</p> <p>Kelowna, BC</p> <p>Joined the Board on July 28, 2009 (previously a trustee of the Fund prior to the Arrangement)</p> <p>Age: 57</p> <p>Status: Independent</p>	<p>Mr. Bennett has been the President of McIntosh Properties Ltd., a real estate and investment holding company, since 1990. Mr. Bennett has served on a number of public and private company boards and is currently Chairman of Quails' Gate Winery, a director of Kal Tire Holdings Ltd. and a director of British Columbia Hydro and Power Authority.</p> <p>Mr. Bennett also currently serves as Chairman of MITACS, is Vice-Chairman of the Fraser Institute and is a director of the University of British Columbia Property Trust. Past public service positions include Chairman of University of British Columbia Board of Governors, Chairman of Kelowna General Hospital Foundation, Chairman of Okanagan University College, Co-Chairman of the Central Okanagan Hospice Campaign and Chairman of Rotary Centre for the Arts Building Committee in Kelowna.</p> <p>Mr. Bennett received an honorary Alumni Award from the University of British Columbia in 2007, was awarded the Order of British Columbia in 2010 and received an honorary Doctorate of Laws from the University of British Columbia in 2011. Mr. Bennett was awarded the Queen's Diamond Jubilee Medal in 2012.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				13 of 16	81%	
	Compensation Committee				4 of 4	100%	
	Aviation Sector Advisory Committee				4 of 4	100%	
	Manufacturing Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Strategic planning • Corporate development • Corporate governance 						
	Other Current Public Company Directorships						
	None						
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	1,595,168	5,712	1,600,880	\$37,140,416	\$120,000	100%
	2013	1,595,168	2,261	1,597,429	\$36,101,895	\$120,000	100%

<p>Serena Kraayeveld FCA, ICD.D.</p> <p>Winnipeg, MB</p> <p>Joined the Board on November 10, 2011</p> <p>Age: 64</p> <p>Status: Independent</p>	<p>Ms. Kraayeveld is the Chair of the Governance Committee.</p> <p>Ms. Kraayeveld graduated with a Bachelor of Commerce (Honours) from the University of Manitoba and is a member of the Institute of Chartered Accountants of Manitoba, the Chartered Professional Accountants Canada and the Institute of Corporate Directors. In 1990, she was elected an FCA by the Institute of Chartered Accountants of Manitoba. Prior to her retirement from public practice in 2008, Ms. Kraayeveld was a tax partner with PricewaterhouseCoopers LLP, providing tax and business advisory services to clients in a broad range of industries and with a variety of issues. In addition, Ms. Kraayeveld served terms as the Managing Partner of the Winnipeg Office of Coopers & Lybrand and as the Partner in Charge of the Winnipeg tax practice of PricewaterhouseCoopers LLP.</p> <p>Ms. Kraayeveld completed the Directors Education Program offered by the Institute of Corporate Directors and received the ICD.D designation in 2008. Ms. Kraayeveld currently serves as a director of CAA Manitoba. Past board positions have included the boards of PricewaterhouseCoopers LLP, Coopers & Lybrand, Institute of Chartered Accountants of Manitoba, Canadian Tax Foundation, United Way of Winnipeg, Manitoba Theatre Centre, Ducks Unlimited Canada and YWCA of Winnipeg.</p>						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				16 of 16	100%	
	Audit Committee				5 of 5	100%	
	Governance Committee				4 of 4	100%	
	Aviation Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Accounting and taxation • Corporate governance • Corporate development / mergers and acquisitions 						
	Other Current Public Company Directorships						
	None						
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	5,000	5,712	10,712	\$248,518	\$120,000	100%
	2013	5,000	2,261	7,261	\$164,099	\$120,000	100%

Jeffrey Olin B.Comm, MBA Toronto, ON Joined the Board on May 14, 2013 Age: 53 <u>Status:</u> Independent	Mr. Olin has been the President and CEO of Vision Capital Corporation, an investment counseling and portfolio management company which manages the Vision Opportunity Funds, since 2007. Mr. Olin is presently the Chairman of BrightPath Early Learning Inc. Between 2003 and 2007, Mr. Olin served as the Managing Partner, Ontario and Head of Investment Banking with Desjardins Securities Inc. Mr. Olin was previously a Managing Director with HSBC Securities Inc. and a Vice-President with Canaccord Capital Corporation.						
	Mr. Olin graduated from the Kellogg Graduate School at Northwestern University in Chicago with an MBA. He received his Bachelor of Commerce degree from the University of Toronto.						
	Board / Committee Membership				Meeting attendance in 2014		
	Board				13 of 16	81%	
	Audit Committee				5 of 5	100%	
	Compensation Committee				4 of 4	100%	
	Aviation Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Financial • Risk management • Capital markets 						
	Other Current Public Company Directorships						
	BrightPath Early Learning Inc. (Chairman)				2010 to present		
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	21,900	4,339	26,239	\$608,745	\$120,000	100%
	2013	196,070 ⁽¹⁾	1,020	197,090	\$4,454,234	\$120,000	100%

(1) 174,170 of these Shares were owned in Vision Opportunity Funds, which is a fund co-managed by Mr. Olin through Vision Capital Corporation.

Allan Davis, CPA Kenora, ON Joined the Board on May 15, 2014 Age: 60 <u>Status:</u> Independent	Mr. Davis holds a Bachelor of Commerce (Honours) degree from the University of Manitoba. He is a Chartered Accountant (1980) and is a member of the Institute of Chartered Accountants of Manitoba. Mr. Davis is currently the President and Director of AFD Investments Inc. a management consulting firm with extensive experience in transportation, distribution, and manufacturing. Mr. Davis is the Independent Chair of the Board of Trustees and Chair of the Audit Committee of the Boyd Group Income Fund.						
	Mr. Davis was a non-Director member of the Manufacturing Sector Advisory Committee prior to his election as a Director.						
	Board / Committee Membership				Meeting attendance in 2014		
	Board (joined on May 15, 2015)				11 of 11	100%	
	Audit Committee (joined on May 15, 2015)				3 of 3	100%	
	Manufacturing Sector Advisory Committee				4 of 4	100%	
	Key Areas of Expertise						
	<ul style="list-style-type: none"> • Accounting and corporate finance • Strategic planning • Operations 						
	Other Current Public Company Directorships						
	Boyd Group Income Fund (trustee)				2005 to present		
	Number of Shares Owned (directly or indirectly, over which control or direction is exercised)						
	Year	Shares	Deferred Shares	Total	Total Value	Share Ownership Requirement	Percentage of Target Met
	2014	7,500	3,211	10,711	\$248,495	\$120,000	100%
	2013	7,500	Nil	7,500	\$169,500	N/A	N/A

To be effective, the resolution electing the Directors must be passed at the Meeting. The Directors recommend a vote FOR the election of the Directors referenced above. In the absence of a contrary instruction, the Management Nominees intend to vote FOR the election of the Directors referenced above.

Majority Voting

The Board has adopted a majority voting policy pursuant to which, with respect to uncontested Board elections, each nominee who receives more votes withheld than are voted in favour of him or her, such nominee will be expected to forthwith submit his or her resignation to the Board, to be effective on its acceptance by the Board. The Board will refer the resignation to the Governance Committee for consideration. The Board will promptly accept the resignation unless the Governance Committee recommends to the

Board that there are circumstances warranting that such Director continue to serve as a Director. In any event, it is expected that the resignation will be accepted (or rejected) by the Board within 90 days of the meeting of Shareholders, during which time an alternate Director may be appointed.

Corporate Cease Trade Orders and Bankruptcies

For the purposes of this section "Order" means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for more than 30 consecutive days.

None of the proposed Directors is, except for Mr. Filmon as described below, as of the date of this Circular, or has been, within ten years before the date of this Circular, a director or executive officer of any company or other entity that:

- (a) was subject to an Order that was issued while the proposed Director was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) was subject to an Order that was issued after the proposed Director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer; or
- (c) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or director appointed to hold its assets.

Mr. Gary A. Filmon, is a trustee of Arctic Glacier Income Fund which on February 22, 2012 applied for and was granted by the Manitoba Court of Queen's Bench, protection under the *Companies' Creditors Arrangement Act* (the "CCAA") while it underwent restructuring and a sale and investment solicitation process which sale and investment solicitation process was completed on July 27, 2012. Recognition of the CCAA proceedings in the United States under Chapter 15 of the United States Bankruptcy Code, as amended had taken place before the sale and investment solicitation process was begun.

Individual Bankruptcies

No current or proposed Director is, or has, within the ten years preceding the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceeding, arrangement or compromise with creditors, or had a receiver, receiver manager or director appointed to hold the assets of the proposed Director.

3. Approval of Second Amended and Restated General By-Law No. 1

The Shareholders will be asked to consider and if thought fit, to ratify the new Second Amended and Restated General By-Law No. 1 of the Corporation (the "Amended By-Law") which was enacted by the Board on May 14, 2014.

The Amended By-Law sets out the by-laws which will regulate the business affairs of the Corporation and replaces the current Amended and Restated General By-Law No. 1 of the Corporation (the "Existing By-Law"). The Amended By-Law makes a number of minor housekeeping changes to the Existing By-law. The only significant change in the Amended By-Law is that it requires advance notice by Shareholders intending to nominate Directors.

The advance notice provisions of the Amended By-Law establish a framework for the advance notice by Shareholders intending to nominate Directors. In general, the Amended By-Law:

- (a) sets a deadline in advance of a Shareholders' meeting at which Directors are to be elected for a Shareholder to notify the Corporation of its intention to nominate one or more Directors; and
- (b) sets forth the information that the Shareholder must include for the notice to be valid.

The Amended By-Law does not interfere with the ability of Shareholders to requisition a meeting or to nominate directors by way of a shareholder proposal in accordance with the *Canada Business Corporations Act*.

To be timely, a Shareholder must give a valid notice to the Corporation:

- (a) in the case of an annual meeting of Shareholders, not less than 30 and not more than 65 days before the date of the meeting; provided that if the annual meeting is to be held on a date that is less than 50 days after the date on which the

first public announcement of the date of the annual meeting was made, notice may be given not later than the close of business on the tenth day following such public announcement; and

- (b) in the case of a special meeting (which is not also an annual meeting) of Shareholders, called for the purpose of electing Directors, not later than the close of business on the fifteenth day following the day on which the first public announcement of the date of the meeting was made.

The Board may, prior to any meeting of Shareholders, in its sole discretion, waive any of these advance notice requirements. Unless waived by the Board, the notice requirements will not be changed by any adjournment or postponement of a meeting of Shareholders or the announcement of any adjournment or postponement.

The Board believes that the advance notice provisions of the Amended By-Law set out a clear and transparent process for all Shareholders who intend to nominate Directors at a Shareholders' meeting, by providing a reasonable time frame for Shareholders to notify the Corporation of their intention to nominate Directors and by requiring Shareholders to disclose information concerning the proposed nominees as is mandated by applicable securities laws. The Board will be able to evaluate the proposed nominees' qualifications and suitability as directors and respond as appropriate in the best interests of the Corporation. These advance notice provisions of the Amended By-Law are also intended to facilitate an orderly and efficient meeting process.

At the Meeting, Shareholders will be asked to vote on the following Ordinary Resolution, with or without variation:

"BE IT RESOLVED THAT:

- (a) the new Second Amended and Restated General By-Law No. 1 relating generally to the conduct of the business and affairs of the Corporation, submitted to the meeting and initialed by the Chair for identification purposes, be and the same is hereby ratified and confirmed; and
- (b) any one director or officer of the Corporation be and is hereby authorized and directed to do and perform all such acts and things and to execute and deliver or cause to be executed and delivered, for, in the name of and on behalf of the Corporation all such deeds, documents and other instruments as may be necessary or desirable to perform or give effect to the provisions of this resolution."

To be effective, the Ordinary Resolution approving the Amended By-Law must be passed at the Meeting. The Directors recommend a vote FOR the approval of the Amended By-Law. In the absence of a contrary instruction, the Management Nominees intend to vote FOR the foregoing resolution.

4. Re-Approval of Deferred Share Plan

At the Meeting, the Shareholders will be asked to re-approve the Deferred Share Plan. Due to the fact that the Deferred Share Plan does not have a fixed maximum aggregate number of securities issuable thereunder, Shareholders must re-approve the Deferred Share Plan every three years, in accordance with the policies of the TSX. The Deferred Share Plan was most recently approved by Shareholders in 2012. If re-approval of the Deferred Share Plan or a modified version thereof is not obtained, the Corporation will not proceed to grant any additional Deferred Shares under the Deferred Share Plan. For a summary of the Deferred Share Plan, see "*Securities Authorized Under Equity Compensation Plans – Deferred Share Plan*".

The Deferred Share Plan will be available for inspection at the Meeting.

At the Meeting, Shareholders will be asked to vote on the following Ordinary Resolution, with or without variation:

"BE IT RESOLVED THAT:

- (a) the deferred share plan of the Corporation dated May 14, 2013, which governs the way by which the Corporation may grant deferred shares to various parties, submitted to the meeting and initialed by the Chair for identification purposes, be hereby re-approved;
- (b) the directors of the Corporation are hereby authorized to reserve for issuance from time to time such number of shares as may be issued pursuant to the terms of the deferred share plan of the Corporation;
- (c) the Corporation be and is hereby authorized to continue granting deferred shares under its deferred share plan until May 13, 2018, being the date that is three years from the date of this shareholder approval of the deferred share plan; and
- (d) any one director or officer of the Corporation be and is hereby authorized to execute, deliver and file such documents, and do all such other things, as such person considers necessary or advisable to give effect to the foregoing resolutions."

To be effective, the Ordinary Resolution re-approving the Deferred Share Plan must be passed at the Meeting. The Directors recommend a vote FOR the re-approval of the Deferred Share Plan. In the absence of a contrary instruction, the persons designated in the enclosed form of proxy intend to vote FOR the foregoing resolution.

CORPORATE GOVERNANCE

Introduction

The Board believes that sound corporate governance practices are essential to the well-being of the Corporation and its Shareholders, and that these practices should be reviewed regularly to ensure that they are appropriate. The Board has reviewed

the guidelines for effective corporate governance contained in NP 58-201 issued by the Canadian Securities Administrators and other relevant regulations regarding corporate governance practices. The Canadian Securities Administrators have also adopted NI 58-101 which requires Canadian reporting issuers to annually disclose their corporate governance practices. Regulatory changes to governance practices that have occurred, or will occur, are continually monitored by the Board and the Board has taken, or will take appropriate action as regulatory changes occur. Below is a discussion on the current composition of the Board and the current governance practices of the Corporation.

The Directors have in place appropriate structures to ensure that they can function independently of management. The responsibilities of the Chair of the Board include overseeing that the Directors discharge their responsibilities. The Chair of the Board is the Honourable Gary Filmon, P.C., O.C., O.M.

The CEO of the Corporation is responsible for the overall administration and management of the Corporation and its subsidiaries. All major policy decisions relating to the Corporation and its subsidiaries are made by the Directors or a committee thereof. Each subsidiary of the Corporation has its own management team that is responsible for the day-to-day management of each respective subsidiary. As applied to a Director herein, "independent" has the meaning ascribed to such term in respect of a director of an issuer in NI 58-101 and as may subsequently be in effect from time to time or any successor policy thereto and includes having no direct or indirect material relationship with the Corporation, where a "material relationship" is a relationship which could, in the view of the Directors, reasonably interfere with the exercise of such Director's independent judgment.

Board of Directors of the Corporation

The Board is comprised of a majority of Independent Directors, which facilitates its exercise of independent supervision over management. The composition of Independent Directors and non-Independent Directors is as follows:

Independent Directors currently are:

- Gary Filmon
- Donald Streuber
- Gary Buckley
- Serena Kraayeveld
- Edward Warkentin
- Brad Bennett
- Jeffrey Olin
- Allan Davis (elected as a Director on May 15, 2014)

Non-Independent Directors are:

- Michael Pyle – CEO of the Corporation
- Duncan Jessiman – Executive Vice-Chair of the Corporation

Gary Filmon is the Chair of the Board and is an Independent Director.

The Independent Directors hold regularly scheduled meetings at which the non-Independent Directors are not in attendance. These meetings take place at least at every regularly scheduled meeting of the Board. In the financial year of the Corporation ended December 31, 2014, five such meetings were held.

Other Directorships

For a summary of the Directors who are currently directors or trustees of other reporting issuers, see "Particulars of Matters to be Acted Upon – Election of Directors".

The Board has adopted a policy to limit the number of outside public company directorships that may be held by Directors to two for Directors holding full-time executive positions and to four for other Directors.

There are currently no common memberships on boards of other public companies among the Directors.

Board Mandate

The mandate of the Board provides that the Directors must act honestly and in good faith with a view to the best interests of the Corporation and in connection therewith exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Corporation is required to have a minimum of one Director and a maximum of 15 Directors.

The Board has adopted the Board Mandate. The full text of the Board Mandate is attached as Schedule "A" to this Circular.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board as well as for the Chair of the Audit Committee. The duties of the Chairs of the other committees of the Board are set forth in the charters of each of the other committees of the Board. The Board has also developed a written position description for the CEO of the Corporation.

Orientation and Continuing Education

The Board and management of the Corporation have established an informal orientation and education program for new Directors and new committee members regarding the role of the Board, its committees as well as the nature and operation of the Corporation's business. New Directors are provided with sufficient information to enable them to become familiar with the Corporation, its issues, business and operations. Care is taken to ensure that new Directors understand the roles and responsibilities of the Board and its committees, as well as the commitment level that the Corporation expects of the Directors. The Governance Committee is also charged with ensuring that continuing education opportunities are available to all Directors as necessary.

The Corporation is a member of the Institute of Corporate Directors and all directors are enrolled under its corporate membership and have access to the Institute of Corporate Directors' resources and continuing education programs.

Ethical Business Conduct

The Corporation has adopted a Code of Business Ethics and Conduct, an Insider Trading Policy, and a Disclosure and Competition Policy. Every Director, officer and employee of the Corporation and its subsidiaries receives a copy of these documents upon commencement of employment with the Corporation or a subsidiary, as applicable. The Code of Business Conduct and Ethics is monitored by the Governance Committee. A copy of the code may be obtained by any person by contacting the Corporate Secretary of the Corporation at its address set forth in this Circular.

The Board Mandate provides that Directors must understand conflict of interest issues and declare all real or perceived conflicts, and disclose contracts or arrangements with the Corporation or any of its subsidiaries in which a Director has an interest. The by-laws of the Corporation provide that each Director must disclose the nature and extent of his interest in a contract or transaction or proposed contract or transaction in which he has an interest in the manner provided by the *Canada Business Corporations Act*.

Nomination of Directors

The Governance Committee is responsible for, among other things, reviewing the size and composition of the Board and recommending candidates for election to the Board. Each year, the Governance Committee carefully examines the composition of the Board, including issues relating to its size, and balances factors such as age and geographical, professional and industry representation. To assist in this process, the Governance Committee maintains a matrix of the major competencies and expertise contributed by each Director to the Board's needs. If the Governance Committee concludes that the Board would benefit from a new Director, the Governance Committee will endeavor to find an appropriate candidate for nomination.

The Governance Committee is comprised entirely of Independent Directors other than one member. New directors may be proposed by members of the Board and/or the Governance Committee may conduct a search to identify appropriate candidates. If the Governance Committee determines that a proposed Director is worthy to become a Director, then the decision as to whether or not to appoint such a Director is taken to the Board as a whole.

Compensation

For a description of the Compensation Committee and its duties and activities, see "Executive Compensation – Compensation Discussion and Analysis".

Director Share Ownership Policy

Many Canadian public corporations have adopted mandatory minimum share ownership requirements for board members. It is important to the Corporation that the Directors are seen to have "aligned" their personal interests with the Shareholders by owning Shares and/or Deferred Shares. The Corporation adopted a Director Share Ownership Policy effective November 12, 2012, which has the following requirements:

- (a) The minimum shareholding requirement for all Directors is set at three times the amount of the annual cash retainer paid to Directors. As at the end of the 2014 fiscal year, the annual cash retainer was \$40,000 and therefore the required Share ownership was \$120,000 of Shares (based on the market price of the Shares as at December 31, 2014).
- (b) The minimum shareholding requirement for the Chair of the Board will include the additional cash retainer received as the Chair. As at the end of the 2014 fiscal year, the additional cash retainer is \$35,000, so the required Share ownership for the Chair of the Board is \$225,000 of Shares in aggregate (based on the market price of the Shares as at December 31, 2014).
- (c) The additional retainers for committee chairs are not included in the calculation of the minimum Share ownership requirements.
- (d) Committee members who are not Directors are not included in this policy.

- (e) In determining the value of Shares held by a Director under this policy, the value of Deferred Shares shall be included. In addition, the value of any Shares held in entities in which the Director has a beneficial interest shall be included where such holdings are reported in the Annual Information Form of the Corporation.
- (f) A Director shall have three years from the date of appointment to the Board to meet the initial shareholding requirements. Similarly, should the cash retainer be increased, a Director will have three years to meet the increased shareholding requirement.
- (g) Once the required shareholding level is met by a Director, he or she shall not be required to increase his or her shareholdings due to any decline in the price of Shares.

Board Committees

The Board fulfills its role directly and through committees to which it delegates certain responsibilities. The Board and its committees are focused on the continued improvement of governance principles and practices. Maintaining a leadership position in corporate governance requires constant review of these principles and practices to be sure they meet or exceed evolving best practices and regulatory guidance.

Governance Committee

The Governance Committee of the Corporation is responsible for developing on behalf of the Corporation, its corporate governance principles to foster a healthy governance culture at the Corporation and its subsidiaries. The Governance Committee is comprised of Serena Kraayeveld (Chair), Donald Streuber, Duncan Jessiman and Gary Filmon.

The Governance Committee's key charter responsibilities include:

- the development of, and compliance with, corporate governance policies and procedures;
- recommending candidates for election to the Board and its committees;
- assessing the management, development and effective performance of the Board, its committees, and its mandate and charter, and orientation, education and development of members of the Board; and
- assisting the Corporation in ensuring that new Directors receive proper education and orientation about the Corporation and its subsidiaries, and that on an ongoing basis, all Directors receive continuing education, including specific education for the members of the various committees of the Board, if required.

The Governance Committee believes that it has fulfilled its responsibilities in the most recently completed financial year in the best interests of the Shareholders. In carrying out these responsibilities, the Governance Committee particularly focused on the following initiatives to further improve the Corporation's governance processes and practices:

- **Board Composition/Nominations:** Each year, the Governance Committee carefully examines the composition of the Board, including issues relating to its size, expertise and capabilities and considers factors such as age, geographic, professional, and industry representation. A competency/skills matrix is developed which outlines areas of expertise and experience of each Director. The Governance Committee develops a list of potential candidates, typically generated through individual referrals, who possess the skills and experience required to meet the Corporation's business needs.
- **Improving Board and Committee Processes:** Each member of the Board and/or its committees assesses the adequacy and timeliness of information provided to the Board or committee, the quality of communication between the members and management of the Corporation and the strategic direction and processes of the Board or committee. A summary report is provided by the Governance Committee to the Board as a whole.
- **Performance of the Board:** The Chair of the Board and the Chair of the Governance Committee meet with each Director to discuss his or her views about the effectiveness of the Board and its committees and contributions of individual Directors. Questionnaires relating to the Board, its committees and each individual Director's performance are circulated to each Director and the compiled results are used as a basis for discussion in these meetings.

The Board and its committees continually evaluate and improve the corporate governance policies and procedures of the Corporation.

Audit Committee

For a discussion of the Audit Committee please see the Annual Information Form of the Corporation dated March 30, 2015 which is available on SEDAR at www.sedar.com.

Disclosure and Competition Committee

The Disclosure and Competition Committee is currently comprised of: Michael Pyle, Duncan Jessiman and Adam Terwin (Chief Corporate Development Officer of the Corporation, not a Director). The composition of the Disclosure and Competition Committee is determined on an annual basis by the CEO of the Corporation.

The Corporation has adopted a disclosure and competition policy designed to ensure:

- (a) timely, accurate and balanced public dissemination of material information about the Corporation and its subsidiaries in accordance with all applicable legal, regulatory and stock exchange requirements;
- (b) protection of the Corporation's confidential information;
- (c) that all personnel of the Corporation and its subsidiaries are aware of the legal requirements to comply with competition law; and
- (d) that the Corporation and each of its subsidiaries are in compliance with the disclosure and competition policy.

The purpose of the Disclosure and Competition Committee is to establish controls and procedures to ensure that the Disclosure and Competition Policy of the Corporation is being followed throughout the organization. The Disclosure and Competition Committee meets as frequently as circumstances require, and as the members deem necessary or appropriate, to carry out its responsibilities listed below:

- assist in the design, establishment, maintenance, review and evaluation of the effectiveness of disclosure and competition controls and procedures to ensure that material information is made known to the Disclosure and Competition Committee and is able to be provided, processed, summarized and reported to the appropriate securities regulatory authority on a timely basis;
- consider materiality of information received via the Corporation's disclosure and competition controls and procedures to determine the Corporation's disclosure and competition obligations on a timely basis;
- assist in the preparation of each periodic report and earnings release (including management's discussion and analysis) of the Corporation and evaluate the clarity, accuracy and compliance of the information in such report or earnings release;
- review with the assistance of counsel (a) any instances of fraud that involve management or other employees who have a significant role in the Corporation's disclosure and competition controls and procedures or internal controls that come to the attention of the members of the Disclosure and Competition Committee while carrying out their responsibilities and (b) any significant deficiencies in the design or operation of the Corporation's disclosure and competition controls and procedures and internal controls that could adversely affect the Corporation's ability to record, process, summarize and report financial and other material information to the appropriate securities regulatory authority; and
- consider any such other matters, and take any such other actions, in relation to the Corporation's disclosure and competition controls and procedures, as the Disclosure and Competition Committee may, in its discretion, determine to be advisable to ensure that information required to be disclosed under the Disclosure and Competition Policy and by law is recorded, processed, summarized and reported on a timely basis.

The Disclosure and Competition Committee meets on a quarterly basis with the responsible person in each of its subsidiaries to review matters pursuant to the Corporation's disclosure and competition controls and procedures.

Aviation Sector Advisory Committee

The purpose of the Aviation Sector Advisory Committee is to act as a board of advisors to the operating entities in the aviation sector of the Corporation. The Aviation Sector Advisory Committee consists of Donald Streuber, Michael Pyle, Duncan Jessiman, Brad Bennett, Serena Kraayeveld, Jeff Olin, Alex Ouskan (non-Director) and Polly Craik (non-Director). In order to provide additional experience to the Aviation Sector Advisory Committee, two non-Director individuals, namely Alex Ouskan and Polly Craik, have been appointed to the Aviation Sector Advisory Committee. Mr. Ouskan was appointed on November 12, 2012 and Ms. Craik was appointed on February 1, 2015. Mr. Ouskan attended three of four meetings of the Aviation Sector Advisory Committee in 2014. Ms. Craik did not attend any meetings of the Aviation Sector Advisory Committee in 2014 as she had not yet been appointed to it.

The members of the Aviation Sector Advisory Committee shall:

1. demonstrate skills and experience that are complementary to the committee's charter and helpful with the current activities and strategic direction of the management of the aviation subsidiaries of the Corporation; utilize external relationships and resources in making a contribution and adding value to the management of the aviation subsidiaries; effectively apply their knowledge, experience and expertise to issues confronting the aviation subsidiaries; and serve as a helpful resource to the management of the aviation subsidiaries, where necessary and appropriate.
2. maintain and demonstrate a comprehensive understanding of the strategic direction and annual plans of the management of the aviation subsidiaries; including an understanding of the aviation subsidiaries' principal risks; contribute and add value to discussions regarding the aviation subsidiaries' strategic direction; participate in monitoring and evaluating the executive management's success in achieving established goals set out in the aviation subsidiaries' strategic and annual plans; maintain and demonstrate a strong understanding of the aviation subsidiaries' business, services/products, markets and operations; and maintain and demonstrate knowledge of important industry trends and the competitive environment.

Throughout the year the Aviation Sector Advisory Committee has met and discussed with management its thoughts relating to the various operations of the Corporation's aviation sector companies and was involved in the discussions relating to the acquisition of Provincial Aerospace Ltd. and other growth capital investments.

Manufacturing Sector Advisory Committee

The purpose of the Manufacturing Sector Advisory Committee is to act as a board of advisors to the operating entities in the manufacturing sector of the Corporation. The Manufacturing Sector Advisory Committee consists of Edward Warkentin, Michael Pyle, Duncan Jessiman, Gary Filmon, Gary Buckley, Brad Bennett, Allan Davis, Ray Moher (non-Director) and William Baines (non-Director). In order to provide additional experience to the Manufacturing Sector Advisory Committee, two non-Director individuals, Ray Moher and William Baines, have been appointed to the Manufacturing Sector Advisory Committee. Mr. Moher was appointed to the Manufacturing Sector Advisory Committee in 2008 and Mr. Baines was appointed on February 1, 2015. Mr. Moher is the President of WBM GP Inc., a wholly-owned subsidiary of the Corporation, and the general partner of Water Blast Manufacturing LP, a wholly-owned subsidiary of the Corporation. Mr. Moher attended four of four meetings of the Manufacturing Sector Advisory Committee in 2014. Mr. Baines did not attend any meetings of the Manufacturing Sector Advisory Committee in 2014 as he had not yet been appointed to it.

The members of the Manufacturing Committee shall:

1. demonstrate skills and experience that are complementary to the committee's charter and helpful with the current activities and strategic direction of the management of the manufacturing subsidiaries; utilize external relationships and resources in making a contribution and adding value to the management of the manufacturing subsidiaries; effectively apply their knowledge, experience and expertise to issues confronting the manufacturing subsidiaries; and serve as a helpful resource to the management of the manufacturing subsidiaries, where necessary and appropriate.
2. maintain and demonstrate a comprehensive understanding of the strategic direction and annual plans of the management of the manufacturing subsidiaries, including an understanding of the manufacturing subsidiaries' principal risks; contribute and add value to discussions regarding the manufacturing subsidiaries' strategic direction; participate in monitoring and evaluating the executive management's success in achieving established goals set out in the manufacturing subsidiaries' strategic and annual plans; maintain and demonstrate a strong understanding of the manufacturing subsidiaries' business, services/products, markets and operations; and maintain and demonstrate knowledge of important industry trends and the competitive environment.

Throughout the year the Manufacturing Sector Advisory Committee has met and discussed with management its thoughts relating to the various operations of the Corporation's manufacturing sector companies and was involved in the discussions relating to the disposition of the US operations of WesTower Communications.

Assessments

The Board, the committees thereof and the individual Directors are assessed regularly as described above under "Corporate Governance - Board Committees – Governance Committee". The most recent assessment was conducted by the Governance Committee in December, 2014 and January, 2015 and the report presented to the Board in February, 2015.

Director Term Limits

The Board does not believe that arbitrary term limits for Directors are appropriate nor does it believe that Directors should be required to retire from the Board upon reaching a certain age. The Board believes that imposing term limits on Directors or a mandatory retirement age could result in the loss of the contribution of Directors who have valuable experience and qualifications as Directors and who have developed, over a period of time, insight and perspective into the Corporation and its businesses. Accordingly, the Board has not adopted a policy imposing term limits on Directors or imposing a mandatory retirement age for Directors.

Gender Diversity

The Board strongly supports the principle of diversity among Directors and executive officers of the Corporation, of which gender is one important aspect. The Board recognizes the benefits that diversity brings to the Corporation. The aim of the Board is to have a broad range of approaches, backgrounds, skills and experience represented on the Board and in senior management of the Corporation.

The Board and the Governance Committee are receptive to increasing the number of women on the Board as turnover occurs, taking into account the skills, background, experience and knowledge desired at that particular time by the Board. Members of the Governance Committee engaged in nominations to the Board conduct searches for potential nominees so as to put forth a diverse range of candidates, including women candidates. However, at this time, the Board has not set a specific target as to the number of women Directors. The Board assesses Director candidates on a case by case basis and does not believe that strict adherence to a target ultimately results in the best Board composition. Accordingly, the Board has not adopted a written policy relating to the identification and nomination of women Directors.

The Board is also receptive to increasing the number of women in executive officer positions with the Corporation, taking into account the particular skills, background, experience and knowledge required for the particular executive officer position. When the Board and members of management conduct searches for potential new executive officers, they always attempt to review a diverse range of candidates, including women candidates and consider the representation of women in executive officer positions with the Corporation. However, at this time, the Board has not set a specific target as to the number of women in executive officer positions as promotions and new hires to executive officer positions are based solely on merit and achievements within the Corporation for promotions or achievements external to the Corporation for new hires. In addition, the Board assesses executive officer candidates on a case by case basis and does not believe that strict adherence to a target ultimately results in the best executive officers being hired.

Currently, one of the ten Directors is a woman, representing 10% of the Board. Currently, two of the eight executive officers of the Corporation are women, representing 25% of the executive officers of the Corporation, including the President of the Corporation.

EXECUTIVE COMPENSATION

Defined Terms

In this section entitled “Executive Compensation”, the following capitalized terms have the meanings ascribed to them below:

“**Named Executive Officer**” means the following individuals:

- (a) each Chief Executive Officer (“CEO”) of the Corporation (or person acting in a similar capacity) for any part of the most recently completed financial year of the Corporation;
- (b) each Chief Financial Officer (“CFO”) of the Corporation (or person acting in a similar capacity) for any part of the most recently completed financial year of the Corporation;
- (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year of the Corporation whose total compensation was, individually, more than \$150,000; and
- (d) any additional individual who would be a Named Executive Officer under (c) but for the fact that the individual was not serving as an executive officer of the Corporation or any of its subsidiaries, nor acting in a similar capacity, as at the end of the most recently completed financial year.

During the most recently completed financial year, the Corporation had five Named Executive Officers: (i) Michael Pyle, the Corporation’s CEO; (ii) Edward (Ted) Mahood, the Corporation’s CFO; (iii) Adam Terwin, the Corporation’s previous CFO and current Chief Corporate Development Officer (“CCDO”); (iv) Carmele Peter, the Corporation’s President, and (v) Doron Marom, CEO of Regional One, Inc. a wholly-owned subsidiary of the Corporation.

“**Option-Based Award**” means an award under an equity incentive plan of options, including, for greater certainty, Share options, Share appreciation rights, and similar instruments that have option-like features.

“**Share-Based Award**” means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, Shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, share equivalent units, and stock.

Compensation Discussion and Analysis

The philosophy of the Board is that if the Corporation is successful, the employees and management of the Corporation and its subsidiaries be rewarded through cash bonuses, long-term variable compensation or combinations of any or all of the foregoing. The goal of the Compensation Committee of the Corporation in making compensation recommendations is to recognize and reward individual performance as well as to provide a fair and competitive industry level of compensation, taking into consideration the individual’s experience and performance and the financial performance of the Corporation.

The Compensation Committee also periodically independently retains external consultants to review compensation matters. The Compensation Committee has reviewed industry compensation information provided by consultants and compares its level of overall compensation with those of comparably-sized entities. Comparable executive compensation comes from executive management surveys which are chosen based on similarity to the Corporation. Comparable positions are identified based on publicly available information on such entities. A summary of this information is provided to the Compensation Committee to assist in approving the Corporation’s overall compensation policy and the compensation to be paid, particularly to senior management.

The Compensation Committee views total compensation as a linked strategy towards achieving overall performance targets and has designed a total compensation package of short-term and long-term compensation with fixed and variable compensation components. Currently the compensation program for senior management of the Corporation consists of annual salary, cash bonuses, indirect compensation, and participation in the Deferred Share Plan or the ESPP.

The combination of short-term and long-term incentive compensation structures are designed by the Compensation Committee, along with individual-based evaluations of Named Executive Officers, to consider the exposure associated with any individual taking inappropriate or excessive risks that could have a material adverse effect on the Corporation. As a result, if certain unreasonable and unauthorized risks were identified then the Compensation Committee and the Board would penalize the individual(s) accordingly. The goals identified, specifically for the CEO, are designed to align with the interests of the Corporation’s Shareholders. The employment agreements of the Named Executive Officers do not prohibit the purchase of financial instruments that would be designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer. However, the Corporation’s Insider Trading Policy states there shall be no speculation by insiders in the Corporation’s securities. This includes all dealings in puts and calls, all short sales and all buying or selling on the market with the intention of quickly reselling or buying securities.

Annual Salary

Annual salary is intended to provide a competitive rate of compensation and recognize the skills, competencies and level of responsibility of senior management. Generally, the Compensation Committee targets base salaries at levels approximating those holding similar positions in public issuers of comparable size and complexity (as outlined above) and hopes to achieve targeted total compensation levels through other fixed and variable compensation components. The base salaries are reviewed annually.

Incentive Compensation

The Corporation utilizes short-term and long-term incentive programs to compensate its employees and so as to align their interests with those of Shareholders. Incentives are broken down between long-term and short-term to reward senior management for working to maximize both the immediate and long-term value of the Shares of the Corporation.

Short-term incentive plans are paid through a cash bonus program. Long-term incentives utilize the Deferred Share Plan and the ESPP. The Named Executive Officers of the Corporation did not participate in the ESPP because all were awarded incentives in the Deferred Share Plan in 2014.

The Compensation Committee determines the amount payable to the CEO. The CEO determines the amount payable to the Named Executive Officers other than himself (the "Other Named Executives"). He uses similar criteria to those described below under Short-Term Incentive Compensation and Long-Term Incentive Compensation, but adjusts the percentages allocated as he feels necessary to encourage and reward performance. The Compensation Committee approves in aggregate the compensation for the Other Named Executives.

Short-Term Incentive Compensation

The short-term incentive compensation is paid through a cash bonus program and the incentive is paid out to the Named Executive Officers based on the financial performance of the Corporation, the achievement of certain personal short-term goals and other qualitative performances over the period. The Compensation Committee has defined short-term goals for the CEO of the Corporation and these are described further in the "CEO Compensation" discussion below.

The short-term compensation of the Other Named Executives is based on a similar set of criteria to that of the CEO, but is weighted differently depending on the areas of responsibility of the particular executive. The quantitative portion of the program is based on the results of the Corporation and or the specific results of the area of operation for which the executive is responsible, but no predefined quantitative goals are set for these individuals. The qualitative factors for each of the Other Named Executives are determined by the CEO, in consultation with the Chair of the Compensation Committee. Depending on the individual and his/her responsibility, certain areas of focus for the year are specified and are assessment criteria used to rate the performance of each Other Named Executive.

Long-Term Incentive Compensation

The Corporation utilizes the Deferred Share Plan to align the interests of the Named Executive Officers with those of its Shareholders. The Corporation has historically not utilized any security option programs. Under the Deferred Share Plan, Named Executive Officers are granted Deferred Shares. The Deferred Shares are subject to escrow and vest evenly over a three year period unless the Named Executive Officer has reached the age of 55 and has been a Director, officer or employee of the Corporation or an affiliate of the Corporation for a period of not less than ten years, in which case the Deferred Shares vest immediately. The Deferred Share Plan entitles the participant to receive dividends in the form of additional Deferred Shares at the same rate as a Share until the Deferred Shares are redeemed in Shares.

The size of the grant is determined based on a dollar amount which is divided by the market price of the Shares as determined at the date of the grant to arrive at the number of Deferred Shares granted. For the purposes of the Deferred Share Plan, the market price of the Shares is the average of the closing prices (or if the Shares are not traded on a trading day, the average of the closing bid price and the closing ask price) on the TSX for the ten trading days immediately preceding such date.

The CEO of the Corporation is eligible to be granted Deferred Shares under the Deferred Share Plan as described further in the "CEO Compensation" discussion below. The Compensation Committee determines the amounts granted to the CEO. The amounts granted to the Other Named Executives are determined by the CEO and are approved in aggregate by the Compensation Committee.

Indirect Compensation

The Corporation's indirect compensation for the Named Executive Officers includes benefits and other perquisites. The benefit programs include general group life, health and dental programs and are considered comparable with other companies. The other perquisites are individual based but include cost recovery for expenses such as car expenses and club memberships.

The Corporation does not have a pension plan.

CEO Compensation

CEO Compensation

The Compensation Committee makes recommendations to the Board as to remuneration for the CEO, Michael Pyle, among others. The following describes the approach used by the Compensation Committee in determining the recommendation.

The Compensation Committee has used Aon Consulting Inc. ("AON") as a compensation consultant at various times over the last several years. In 2012, AON was engaged to provide advice to the Compensation Committee in regard to the forms of short-term and long-term compensation, the design of a long-term incentive plan and comparative market data for the CEO and Executive Vice Chair. As a result of this consultation, the policy of the Compensation Committee with respect to compensation for the CEO is to set his base salary, total cash compensation (which includes short term-incentives) and total direct compensation (which includes long-term incentives) at approximately the median among public issuers of comparable size and complexity. The Compensation Committee considers among other things, data from industry compensation surveys and the overall performance of the Corporation, including revenues, earnings before interest, taxes and depreciation, free cash flow less maintenance capital expenditures, dividends per Share, successful acquisitions and the successful implementation of the Corporation's strategy. At the beginning of 2015, AON was engaged by the Compensation Committee to provide an updated competitive market assessment for the CEO and the Board that will be applicable going forward into 2015. This included the assessment of the CEO's base salary compensation and commentary around both short term incentives and long term incentives.

Mr. Pyle's salary and incentive plan awards are determined based on the overall success of the Corporation. His entitlement is based on a combination of corporate performance and team-individual performance. Corporate performance is measured relative to preset targets.

The incentive calculation for Mr. Pyle targets short-term and long-term levels as a percentage base of his annual salary. For 2014, the short-term target of his base salary was 50% and the long-term target of his base salary was 100%. The Compensation Committee assesses the performance of Mr. Pyle and gives a rating code for the various goals given to him for the year. A multiplier is assigned to each rating level and the Compensation Committee then applies the multiplier to each goal between zero and 1.5. Overall, a structured formula is developed to quantify the incentive award for both short-term and long-term goals. The Compensation Committee has the discretion to adjust the quantified incentive award by +/- 25% if other external factors have impacted the performance of the Corporation and should be taken into consideration in determining the award given to the CEO. The disposition of the United States operations of WesTower Communications during 2014 was a factor that was taken into consideration for 2014.

The various goals given to Mr. Pyle for 2014 included the following:

Short-term

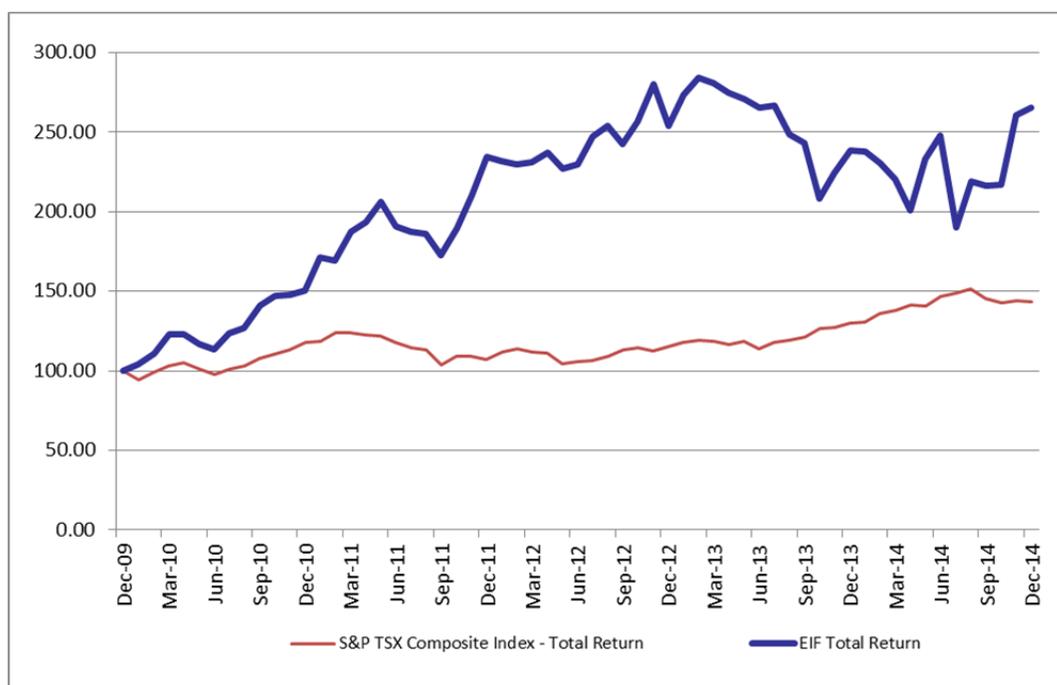
- Financial performance of the Corporation's key financial metrics
- The operations of WesTower Communications achieving certain financial performance targets
- The identification, implementation and financial results of synergies within the aviation group of companies
- Effective structure of the Corporation

Long-term

- Investor relations
- Communication and deliverables between management and the Board
- Internal growth and strategic synergies
- Advancement of acquisition opportunities

Non-Independent Directors, including Mr. Pyle and Mr. Jessiman, do not vote and are excused from Board and committee meetings with respect to compensation matters affecting them.

Performance Graph



January 1, 2010 to December 31, 2014, the total cumulative return on the Shares was 165%, compared to a return of 44% on the S&P/TSX Composite Total Return index. The Corporation had two full time Named Executive Officers at the start of this period that remained with the Corporation through this entire period. Over this period, the compensation of these individuals increased by 137%.

Option-Based Awards and Share-Based Awards

The Corporation does not issue any Option-Based Awards to its Named Executive Officers. The Corporation's long-term incentive compensation includes the Deferred Share Plan where Named Executive Officers are granted Deferred Shares. The Compensation Committee determines the amounts granted to the Executive Vice-Chair and the CEO. The amounts granted to the other Named Executive Officers are determined by the CEO and are approved in aggregate by the Compensation Committee. The size of the grant is determined based on a dollar amount which is divided by the market price of the Shares as determined at the date of the grant to arrive at the number of Deferred Shares granted. For the purposes of the Deferred Share Plan, the market price of the Shares is the average of the closing prices (or if the Shares are not traded on a trading day, the average of the closing bid price and the closing ask price) on the TSX for the ten trading days immediately preceding such date. The Deferred Shares are subject to escrow and vest evenly over a three year period unless the Named Executive Officer has reached the age of 55 and has been a Director, officer or employee of the Corporation or an affiliate of the Corporation for a period of not less than ten years, in which case the Deferred Shares vest immediately. The Deferred Share Plan entitles the participant to receive dividends in the form of additional Deferred Shares at the same rate as a Share until the Deferred Shares are redeemed in Shares.

Compensation Governance and Compensation Committee

The purpose of the Compensation Committee is to assist the Board in fulfilling its responsibilities in relation to setting the compensation of Directors, the Chief Executive Officer and the officers that report directly to the Chief Executive Officer (the "Senior Executives") and overseeing the plans for:

- compensation, development and retention of employees;
- succession planning for the Chief Executive Officer and the Senior Executives; and
- general compensation and human resource policies and issues.

The Corporation has adopted a charter for the Compensation Committee which sets out the composition of the Compensation Committee as well as its responsibilities, duties, principles and procedures.

Following review of data and discussion by members of the Compensation Committee, recommendations are made by the Compensation Committee to the Board for their consideration and approval. The Compensation Committee meets at least twice per year to fulfill its mandate.

The Compensation Committee considers the time, commitment, risks and responsibilities of the Directors and senior management and takes into account the types of compensation and the amounts paid to the directors and senior management of comparable publicly traded Canadian issuers.

The Compensation Committee currently consists of Gary Buckley, Brad Bennett, Edward Warkentin and Jeff Olin, all of whom are Independent Directors. The Compensation Committee members all bring experience from their own business operations in a variety of industries which are used along with professional consultation services obtained from outside professionals. Three of the Compensation Committee members have multiple years of experience on this committee and all have an understanding of the objectives of the committee and the direction of the Corporation as acting members of the Board.

Following its charter, the Compensation Committee undertook a number of key activities in 2014, including:

- Determined the recommended compensation for the CEO, the Executive Vice-Chair and the Board.
- Reviewed the planned aggregate compensation of other members of the Corporation's senior management team outside of the Named Executive Officers.
- Obtained and reviewed a competitive market assessment for the CEO and the Board based on the consultation with AON (completed at the beginning of 2015). This included the assessment of the CEO's base salary compensation and commentary around both short term incentives and long term incentives.

The Compensation Committee meets without management present at each meeting. The Compensation Committee does not make any recommendations regarding the compensation of Mr. Wehrle, who tendered his resignation in April 2014.

The Board considered the compensation decisions of the Compensation Committee for the 2014 period and it is satisfied with those decisions as being fair and reasonable given the performance of the Corporation.

Executive Compensation-Related Fees

As described above, the Corporation has used the services of AON as a compensation consultant in the first quarter of 2015 but was not used during 2014 for this or any other related services. The cost of the services in 2015 was \$15,000 and will be expensed as executive compensation related fees in the results of the Corporation for the first quarter of 2015.

Compensation Summary

Summary Compensation Table

The following table is a summary of the compensation paid to Named Executive Officers of the Corporation in respect of each of the financial years of the Corporation ended December 31, 2012, December 31, 2013 and December 31, 2014.

Name and principal position	Year	Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Michael Pyle President and CEO	2014	578,763	641,669	Nil	343,750	Nil	Nil	Nil	1,564,182
	2013	574,657	332,625	Nil	Nil	Nil	Nil	Nil	907,282
	2012	488,400	595,815	Nil	332,625	Nil	Nil	4,964 ⁽²⁾	1,421,804
Edward (Ted) Mahood ⁽³⁾ CFO	2014	154,589	81,250	Nil	81,250	Nil	Nil	Nil	317,089
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Adam Terwin ⁽³⁾ CCDO (and former CFO)	2014	342,711	165,000	Nil	165,000	Nil	Nil	Nil	672,711
	2013	342,015	100,000	Nil	Nil	Nil	Nil	Nil	442,015
	2012	336,000	165,000	Nil	140,000	Nil	Nil	Nil	641,000
Carmelee Peter ⁽⁴⁾ President	2014	461,454	405,000	Nil	281,250	Nil	Nil	Nil	1,147,704
	2013	458,893	250,000	Nil	50,000	Nil	Nil	Nil	758,893
	2012	80,150	100,000	Nil	100,000	Nil	Nil	Nil	280,150
Doron Marom ⁽⁵⁾ CEO of Regional One, Inc.	2014	596,430	135,000	Nil	298,215	Nil	Nil	Nil	1,029,645
	2013	443,183	100,000 ⁽⁶⁾	Nil	199,277	Nil	Nil	Nil	742,460
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Share-Based Awards are issued pursuant to the Deferred Share Plan and are traditionally granted in the spring of the calendar year following the finalization of the applicable financial year's financial results.
- (2) The CEO received \$4,964 in compensation for member dues in 2012 (2014 & 2013 – Nil).
- (3) In July 2014, the Corporation announced the expansion of its executive team, which included Mr. Terwin moving to the role of Chief Corporate Development Officer (previously CFO) and Mr. Mahood joining the Corporation as CFO.
- (4) Ms. Peter joined the Corporation as Chief Administrative Officer in October 2012 and was appointed as President in July 2014.
- (5) Regional One, Inc., a US based corporation, was acquired by the Corporation in April 2013. Mr. Marom is compensated in US dollars and his compensation above is converted into Canadian dollars using an average foreign exchange rate for each applicable period for the table above.
- (6) The 2013 comparative period information was changed from the prior year's circular as a result of a clerical error originally omitting the Share-Based Award for Mr. Marom that was awarded to him for that period.

Narrative Discussion

For a summary of the significant terms of the employment agreements between the Corporation and each of the Named Executive Officers, see "Termination and Change of Control Benefits" below.

Incentive Plan Awards**Outstanding Share-Based Awards and Option-Based Awards**

The following table sets forth all Share-Based Awards held by the Named Executive Officers as at the end of the most recently completed financial year of the Corporation (December 31, 2014). The Corporation does not have any issued and outstanding Option-Based Awards.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised option (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares that have not vested (#)	Market or payout value of Share-Based awards that have not vested (\$)	Market or payout value of vested Share-Based Awards not paid out or distributed (\$)
Michael Pyle	Nil	NA	NA	NA	40,452	938,493	845,953
Edward Mahood	Nil	NA	NA	NA	Nil	Nil	Nil
Adam Terwin	Nil	NA	NA	NA	11,962	277,529	751,615
Carmelet Peter	Nil	NA	NA	NA	15,644	362,949	31,653
Doron Marom	Nil	NA	NA	NA	5,165	119,819	Nil

The Share-Based awards in the table above exclude grants to these individuals from the Corporation's Deferred Share Plan made in respect of 2014 as they were granted in the spring of 2015 following the finalization of the applicable financial year's financial results. These grants will be included in next year's amounts for this table.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned under incentive plans during the most recently completed financial year of the Corporation for each Named Executive Officer.

Name	Option-Based Awards – Value vested during the year (\$)	Share-Based Awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Michael Pyle	Nil	455,785	343,750
Edward Mahood	Nil	Nil	81,250
Adam Terwin	Nil	196,203	165,000
Carmelet Peter	Nil	31,653	281,250
Doron Marom	Nil	Nil	298,215

Narrative Discussion

The outstanding Share-Based Awards referenced above were issued pursuant to the Deferred Share Plan. See "Securities Authorized Under Equity Compensation Plans – Deferred Share Plan".

Pension Plan Benefits

The Corporation does not have a pension plan and, accordingly, no pension benefits were paid to the Named Executive Officers or Directors in the financial year ended December 31, 2014.

Termination and Change of Control Benefits

The Corporation is a party to employment agreements (the "Employment Agreements") with each of the Named Executive Officers: Michael Pyle, Edward Mahood, Adam Terwin, Carmele Peter and Doron Marom. The Employment Agreements provide for termination for just cause or in the event of the permanent disability, and terminate automatically in the event of death.

The Employment Agreements also provide for termination by the Corporation upon the giving of notice and the payment of an amount equal to the sum of:

- (a) 30 months' salary in the case of Michael Pyle, nine months in the cases of Edward Mahood and Adam Terwin, 24 months in the case of Carmele Peter, and 12 months in the case of Doron Marom;
- (b) an amount equal to two and one-half times the target established for Michael Pyle by the Board for the executive short-term incentive cash bonus, nil in the case of Edward Mahood, three quarters the average payment made to Adam Terwin under any executive bonus plan in the three years preceding the date of termination, two times the target established for Carmele Peter by the Chief Executive Officer for the executive short-term incentive cash bonus, and the average payment made to Doron Marom for the two years preceding the date of termination prorated based on the number of days employed during the year in which the termination occurs;
- (c) a cash amount equal to the value of the benefit entitlements for a 30 month period in the case of Michael Pyle, nine months in the cases of Edward Mahood and Adam Terwin, 24 months in the case of Carmele Peter, and nil in the case of Doron Marom; and

- (d) a cash amount equal to the product of 30 times the value of the monthly car allowance paid in the case of Michael Pyle, nine times in the cases of Edward Mahood and Adam Terwin, 24 times in the case of Carmele Peter, and nil in the case of Doron Marom.

If a termination triggering event took place as at December 31, 2014, the estimated payments owing to the Named Executive Officers would be approximately \$2,116,000 for Michael Pyle, approximately \$252,000 for Edward Mahood, approximately \$332,000 for Adam Terwin, approximately \$1,374,000 for Carmele Peter, and approximately US\$771,000 (assuming termination at the end of the year) for Doron Marom.

If at any time during the term of the Employment Agreements there is a change of control of the Corporation, the Named Executive Officers, excluding Doron Marom, are entitled, at any time before one year after the effective date of such change of control, to terminate the person's employment by the giving of notice to that effect. In that event, or if the Corporation terminates an Employment Agreement following a change of control, the person is entitled to an amount equal to the sum of

- (a) 30 months' salary in the case of Michael Pyle, 12 months in the cases of Edward Mahood and Adam Terwin, and 24 months in the case of Carmele Peter;
- (b) an amount equal to two and one-half times the target established for Michael Pyle by the Board for the executive short-term incentive cash bonus, nil in the case of Edward Mahood, one times the average payment made to Adam Terwin under any executive bonus plan in the three years preceding the date of termination, and two times the target established for Carmele Peter by the Chief Executive Officer for the executive short-term incentive cash bonus;
- (c) a cash amount equal to the value of benefit entitlements for a 30 month period in the case of Michael Pyle, 12 months in the cases of Edward Mahood and Adam Terwin, and 24 months in the case of Carmele Peter; and
- (d) a cash amount equal to the product of 30 times the value of the monthly car allowance paid in the case of Michael Pyle, 12 times in the cases of Edward Mahood and Adam Terwin, and 24 times in the case of Carmele Peter.

A change of control of the Corporation applicable under the Named Executive Officers' employment agreements refers to a scenario where either a person or group acquires more than 50% of the Corporation's voting stock or if the Corporation amalgamates or otherwise merges with another organization. If a change of control triggering event took place as at December 31, 2014, the estimated payments owing to the Named Executive Officers would be approximately \$2,116,000 for Michael Pyle, approximately \$336,000 for Edward Mahood, approximately \$443,000 for Adam Terwin, approximately \$1,374,000 for Carmele Peter, and nil for Doron Marom.

In addition, each of the Employment Agreements contains standard non-competition and confidentiality clauses from the Named Executive Officers in favour of the Corporation.

Director Compensation

Director Compensation Table

The following table is a summary of the compensation paid to the Directors who are not also Named Executive Officers in respect of the most recently completed fiscal year of the Corporation. For a summary of the compensation paid to Michael Pyle, see "Executive Compensation". The compensation paid to Duncan Jessiman set forth below is paid to him in consideration of his services to the Corporation as a member of management (Executive Vice Chairman) not for his services as a Director.

Name	Fees earned (\$)	Share-Based Awards (\$) ⁽³⁾	Option-Based Awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Gary Filmon	121,250	49,500	Nil	Nil	Nil	Nil	170,750
Duncan Jessiman	248,400	Nil	Nil	Nil	Nil	Nil	248,400
Donald Streuber	104,250	27,000	Nil	Nil	Nil	Nil	131,250
Gary Buckley	91,750	27,000	Nil	Nil	Nil	Nil	118,750
Edward Warkentin	84,500	27,000	Nil	Nil	Nil	Nil	111,500
William Wehrle ⁽¹⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Brad Bennett	93,000	27,000	Nil	Nil	Nil	Nil	120,000
Serena Kraayeveld	94,750	27,000	Nil	Nil	Nil	Nil	121,750
Jeffrey Olin	93,750	27,000	Nil	Nil	Nil	Nil	120,750
Allan Davis ⁽²⁾	80,750	27,000	Nil	Nil	Nil	Nil	107,750

Notes:

(1) Mr. Wehrle resigned as a Director on April 4, 2014.

(2) Mr. Davis was elected as a Director on May 15, 2014.

- (3) Share-Based Awards are issued in the year of service pursuant to the Deferred Share Plan for Directors as a portion of their retainer.

Narrative Discussion

The Compensation Committee is responsible for reviewing Director compensation and satisfying itself that it is competitive. The Board determines the form and amount of Director compensation based on the recommendation of the Compensation Committee following reviews of compensation in the marketplace.

The Independent Directors receive compensation which is intended to accomplish two goals: to retain and attract qualified Directors and to align the interests of Directors with the interests of Shareholders. None of Mr. Wehrle, Mr. Pyle or Mr. Jessiman, who are or were members of management, are or have been compensated for acting as a Director.

The current cash compensation paid for the services provided by the Directors, other than Mr. Wehrle, Mr. Pyle and Mr. Jessiman, is as follows:

Annual Retainer	Cash (\$)	Deferred Share Units (\$ value)
Chair of the Board	75,000	99,500
Other Board members	40,000	40,000
Committee member retainer	5,000	-
Additional retainer for non-Audit Committee members attendance at Audit Committee meetings	2,000	-
Chair of Audit Committee additional retainer	15,000	-
Chair of Compensation Committee additional retainer	10,000	-
Chair of Governance Committee additional retainer	10,000	-
Chair of other committee additional retainer	6,000	-
Meeting Attendance Fees		
In-town meeting per diem rate unless less than one hour	1,500	-
In-town meeting per diem rate when less than one hour	750	-
Out-of-town meeting per diem rate	3,000	-

The Corporation also reimburses the Directors for out-of-pocket expenses for attending meetings. The amount of the compensation paid to the Directors, as reflected in the table above, was most recently updated in the first quarter of 2015 based on the competitive market assessment provided by AON, as referred to above.

Directors and Officers Liability Insurance

Directors' and officers' liability insurance has been obtained for the Directors and officers of the Corporation and the directors and officers of its subsidiaries with a total limit of \$35,000,000 aggregate per policy year with two components. First, under this insurance coverage, the Corporation or its subsidiaries would be reimbursed for indemnity payments made on behalf of Directors or officers of the Corporation or directors and officers of its subsidiaries for up to \$20,000,000 subject to a deductible of \$25,000 per occurrence, which would be paid by the Corporation. Second, under this insurance coverage, there is up to \$15,000,000 for non-indemnifiable losses made against the Directors or officers of the Corporation, not subject to a deductible. The total premium paid by the Corporation for directors' and officers' liability insurance during the financial year ended December 31, 2014 was \$110,382.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all Share-Based Awards held by the Directors who are not also Named Executive Officers as at the end of the most recently completed financial year of the Corporation. The Corporation does not have any issued and outstanding Option-Based Awards.

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised option (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares that have not vested (#)	Market or payout value of Share-Based Awards that have not vested (\$)	Market or payout value of vested Share-Based Awards not paid out or distributed (\$)
Gary Filmon	Nil	NA	NA	NA	Nil	Nil	163,593
Duncan Jessiman	Nil	NA	NA	NA	Nil	Nil	696,449
Donald Streuber	Nil	NA	NA	NA	Nil	Nil	89,233
Gary Buckley	Nil	NA	NA	NA	Nil	Nil	89,233
Edward Warkentin	Nil	NA	NA	NA	Nil	Nil	89,233
William Wehrle ⁽¹⁾	Nil	NA	NA	NA	Nil	Nil	Nil
Brad Bennett	Nil	NA	NA	NA	Nil	Nil	89,233
Serena Kraayeveld	Nil	NA	NA	NA	Nil	Nil	89,233
Jeffrey Olin	Nil	NA	NA	NA	Nil	Nil	58,016
Allan Davis ⁽²⁾	Nil	NA	NA	NA	Nil	Nil	32,351

Notes:

- (1) Mr. Wehrle resigned as a Director on April 4, 2014.
(2) Mr. Davis was elected as a Director on May 15, 2014.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value vested or earned under incentive plans during the most recently completed financial year of the Corporation for each Director who is not a Named Executive Officer.

Name	Option-Based Awards – Value vested during the year (\$)	Share-Based Awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Gary Filmon	Nil	67,432	Nil
Duncan Jessiman	Nil	54,240	Nil
Donald Streuber	Nil	36,781	Nil
Gary Buckley	Nil	36,781	Nil
Edward Warkentin	Nil	36,781	Nil
William Wehrle	Nil	Nil	Nil
Brad Bennett	Nil	36,781	Nil
Serena Kraayeveld	Nil	36,781	Nil
Jeffrey Olin	Nil	34,350	Nil
Allan Davis	Nil	32,351	Nil

Narrative Discussion

The outstanding Share-Based Awards referenced above were issued pursuant to the Deferred Share Plan. See “*Securities Authorized Under Equity Compensation Plans – Deferred Share Plan*”.

SECURITIES AUTHORIZED UNDER EQUITY COMPENSATION PLANS

Equity Compensation Information

The Corporation has adopted the following equity compensation plans:

1. the ESPP; and
2. the Deferred Share Plan.

The table below summarizes the number of Shares underlying the ESPP and the Deferred Share Plan, the weighted-average price of such Shares and the number of Shares remaining available for future issuance under the ESPP and Deferred Share Plan as at December 31, 2014.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders ⁽¹⁾	289,761	\$23.20 ⁽²⁾	500,769 ⁽³⁾
Equity compensation plans not approved by securityholders	Nil	NA	NA
Total	289,761	\$23.20	500,769

Notes:

- (1) The only equity compensation plans approved by the Shareholders are the ESPP and the Deferred Share Plan.
- (2) Share price as at December 31, 2014.
- (3) The maximum number of Shares to be issued pursuant to the ESPP and the Deferred Share Plan is limited to an aggregate amount equal to 10% of the issued and outstanding Shares, from time to time.

Set forth below are summaries of the terms of the ESPP and the Deferred Share Plan.

ESPP

Purpose

The purpose of the ESPP is to encourage employees of the Corporation and its subsidiaries to become Shareholders. The ESPP is open to all permanent and contract employees who have been employed by the Corporation or one of its subsidiaries for at least six months, but with participation in the ESPP being entirely optional. Employees may elect to annually contribute up to a maximum percentage of their annual gross salary (such percentage to be determined by the Directors) and the Corporation or the relevant subsidiary also purchases for the participant an additional number of Shares equal to 33 1/3% of the Shares purchased by the participant and the value equal to the dividends awarded to the additional shares over the 18-month vesting period, in addition to paying all fees and commissions (if any) on the purchase of Shares in the ESPP.

Operation of ESPP

Employees of the Corporation and its subsidiaries who are Canadian residents may be entitled to receive a loan to purchase Shares pursuant to the ESPP. Employees of the Corporation and its subsidiaries who are not Canadian residents are not eligible to receive a loan in connection with the ESPP. The loan, together with interest, must be repaid over a period of twelve months from the date of the loan by way of payroll deductions, provided that if the participant is terminated as an employee of the Corporation or a subsidiary, the loan and all interest must be repaid immediately or the Shares of the participant held pursuant to the ESPP shall be sold and the loan repaid.

The Shares acquired under the ESPP are issued from treasury and subject to approval for listing by the TSX. Contributions are held by the ESPP administrator and the Corporation only issues Shares under the ESPP once per year at the commencement of each year's new program. The acquisition price for the Shares is the price per Share equal to the weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the acquisition date.

Shares acquired under the ESPP are subject to a vesting period of 18 months, during which time Shares remain in an ESPP account and are not available for withdrawal or sale. Participants may withdraw their Shares from their ESPP at any time prior to the end of the 18 month vesting period by terminating their participation, but such termination results in that participant not being entitled to receive the unvested Share award to come from the Corporation at the end of the vesting period. In any event, all Shares purchased under the ESPP are subject to a four month hold period pursuant to applicable securities legislation.

The maximum number of Shares that may be issued to any one participant under the ESPP shall be governed by the participant's annual gross salary. The maximum number of Shares that may be issued to any particular employee of the Corporation pursuant to the ESPP in any year is 5% of the gross salary of such employee for the particular year. In addition, no one employee may receive greater than 5% of the issued and outstanding Shares of the Corporation pursuant to the ESPP in any particular year. The maximum number of Shares that may be issued to insiders of the Corporation, in any one year period, or that may be issuable to insiders of the Corporation at any time under all security based compensation plans, including the ESPP, shall not exceed 10% of the issued and outstanding Shares. Certain other restrictions and limitations are set out in the ESPP. In the event that a participant has terminated his or her employment with the Corporation or a subsidiary or has had his or her employment terminated by the Corporation or a subsidiary for any reason, the participant forfeits all unvested Shares that were purchased with the Corporation's contribution.

The maximum number of Shares that may be issued and outstanding and held by the ESPP administrator pursuant to the ESPP is equal to 5% of the issued and outstanding Shares at any time.

Assignment of Shares Held in the ESPP

Except with the consent of the ESPP administrator (which may not be arbitrarily or unreasonably withheld) and subject to applicable laws, no right or interest of any participant in any of the Shares purchased or held on his or her behalf under the ESPP shall be, at any time prior to the vesting date in respect of such Shares, assignable, in whole or in part, either directly or by operation of law or otherwise in any manner, other than by will or other testamentary instrument, or the laws of succession. No attempted assignment of any Shares contrary to the terms of the ESPP shall be effective. Notwithstanding the foregoing, assignments may be effected with the approval of the Corporation and the appropriate regulatory authorities, if required. In addition, no transfer of any right or interest of any participant in any of the Shares purchased or held on his or her behalf under the ESPP may, without the consent of

the Corporation, be made at any time prior to the vesting date in respect of such Shares without disentitling the participant to any additional benefits to which the participant would otherwise have become entitled in respect of the Shares.

Amendments to ESPP

All amendments to the ESPP must be approved by a majority of the Directors. Shareholders shall approve by simple majority any changes to the number of Shares reserved for issuance under the ESPP, and any other changes that require Shareholder approval pursuant to regulatory requirements. From time to time the Compensation Committee may (without approval of the Shareholders, unless required by applicable regulatory authorities) amend any provision of the ESPP provided that no amendment to the ESPP or any termination of the ESPP may affect any entitlement of any participant under the ESPP to receive Shares or have the effect of altering the terms of any outstanding right of a participant without the prior written consent of such participant, and provided further that regulatory approval (including TSX approval) and, if required by such regulatory authorities, Shareholder approval, of the amended form of the ESPP is received prior to the issuance of any additional securities under the provisions of the amended form of the ESPP. Examples of amendments to the ESPP that may be made by the Compensation Committee without approval of the Shareholders include amendments: (a) to correct errors, immaterial inconsistencies or ambiguities in the ESPP text; and (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies (including stock exchange requirements and policies).

Deferred Share Plan

Eligible Persons

The purpose of the Deferred Share Plan is to promote a greater alignment of interests between the Directors, officers and employees of the Corporation and its affiliates (each an "Eligible Person"). Eligible Persons may be selected from time to time to participate in the Deferred Share Plan at the discretion of the Compensation Committee (selected persons being "Participants" in the Deferred Share Plan) and granted such number of Deferred Shares from time to time as the Compensation Committee deems appropriate. Deferred Shares are not Shares and do not entitle a Participant to any rights as a Shareholder, including, without limitation, voting rights, dividend entitlements (other than as set out in the Deferred Share Plan and described below) or rights on liquidation. One Deferred Share is equivalent to one Share. Fractional Deferred Shares are permitted under the Deferred Share Plan.

Fair Value Methodology

The Deferred Share Plan is accounted for as an equity-settled method. Under this method the Deferred Shares granted are fair valued at the grant date when the grant is approved by the Board. The fair value of the grant is based on the market price of the Shares at the grant date.

Number of Shares Reserved for Issuance under the Deferred Share Plan

The total number of Shares authorized for issuance upon the redemption of all Deferred Shares granted under the Deferred Share Plan shall not exceed 10% of the issued and outstanding Shares from time to time; provided, however, that: (i) at no time shall the number of Shares reserved for issuance to insiders of the Corporation pursuant to outstanding Deferred Shares, together with the number of Shares reserved for issuance to such persons pursuant to any other compensation arrangements, exceed 10% of the then outstanding Shares, as calculated immediately prior to the issuance in question; and (ii) the number of Shares issued to insiders of the Corporation pursuant to outstanding Deferred Shares together with the number of Shares issued to such persons pursuant to any other compensation arrangements, within any one year period, shall not exceed 10% of the then outstanding Shares. There is no specific maximum number of Deferred Shares that may be issued to any one Eligible Person pursuant to the Deferred Share Plan.

As at the date of this Circular, the total number of Shares that may be reserved for issuance under any equity compensation plans approved by the Shareholders is 2,310,132 (10% of the issued and outstanding Shares). As at the date hereof there are 370,727 Deferred Shares (1.6% of the issued and outstanding Shares) issued and outstanding and 130,042 Shares held pursuant to the ESPP (0.6% of the issued and outstanding Shares). Therefore, an additional 1,809,363 Shares (7.8% of the issued and outstanding Shares) may be reserved for issuance under the Deferred Share Plan and the ESPP, collectively. Currently, 471,418 Shares have been reserved for issuance with the TSX under the Deferred Share Plan and 229,003 Shares have been reserved for issuance with the TSX under the ESPP. None of these Shares have been issued.

Vesting of Deferred Shares

Subject to the exceptions noted below, Deferred Shares granted to Participants pursuant to the Deferred Share Plan shall vest in accordance with the following schedule:

- (a) 33% of the Deferred Shares on the first anniversary of the initial grant;
- (b) 33% of the Deferred Shares on the second anniversary of the initial grant; and
- (c) 34% of the Deferred Shares on the third anniversary of the initial grant.

Deferred Shares are credited to the Participant's "Deferred Share account" (as defined in the Deferred Share Plan) upon vesting. Notwithstanding the foregoing, Deferred Shares granted to non-management Directors who are "independent" within the meaning of NI 58-101 shall vest immediately. In addition, to the extent not already vested, Deferred Shares issued to a Participant after the Participant has reached the age of 55 and who has been a Director, officer or employee of the Corporation or an affiliate of the Corporation for a period of not less than ten years shall vest immediately. For the purposes of the foregoing, the time served by a Participant as a Director or officer of the Corporation or any predecessor of the Corporation (including the Fund) or its subsidiaries shall be included in the calculation of the time served by such Participant as a Director or officer of the Corporation or an affiliate of the Corporation.

In addition, upon the happening of a "Change of Control" (as defined in the Deferred Share Plan) Deferred Shares will vest on the earlier of the next applicable vesting date as set out above or on the date that is immediately prior to the Change of Control. In addition, the Compensation Committee shall have discretion to vary the manner in which Deferred Shares vest for any Participant.

Additional Deferred Shares Credited with Cash Dividends

Whenever dividends are paid to the holders of the Shares, additional Deferred Shares will be credited to each Participant's Deferred Share account. The number of such additional Deferred Shares shall be calculated by dividing:

- (a) the amount determined by multiplying:
 - (i) the number of Deferred Shares in such Participant's Deferred Share account on the record date for the payment of such dividend by;
 - (ii) the dividend paid per Share;

by

- (b) 100% of the Market Value (as defined below) of a Share on the dividend payment date for such dividend,

in each case, with fractions computed to two decimal places. Such additional Deferred Shares shall vest at the same time and on the same basis as the Deferred Shares in respect of which they are credited.

For the purposes of the Deferred Share Plan, "Market Value" at any date in respect of the Shares is defined as the average of the closing prices (or if the Shares are not traded on a trading day, the average of the closing bid price and the closing ask price) on the TSX for the ten trading days immediately preceding such date (or, if such Shares are not listed and posted for trading on the TSX, on such stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the Directors). In the event that such Shares are not listed and posted for trading on any stock exchange, the Market Value shall be the fair market value of such Shares as determined by the Compensation Committee in its sole discretion.

Redemption of Deferred Shares

For the purposes of the Deferred Share Plan, "Redemption Date" means, in respect of a Participant who is not a U.S. Participant (as defined below), the earliest of the date: (i) of the death of the Participant; (ii) that the Participant becomes unable, as a result of any physical or mental illness, to fulfill their significant duties as a Director, officer or employee of the Corporation or its affiliates, as the case may be, which will be deemed to have occurred if the Participant qualified under any disability insurance policy; (iii) that the Participant ceased to be a Director, officer or employee of the Corporation or its affiliates; or (iv) the Compensation Committee approves the redemption of Deferred Shares by the Participant. In this summary, a "U.S. Participant" means a Participant that is subject to the United States Internal Revenue Code of 1986, as amended (in this summary, the "Code").

Following a Participant's Redemption Date, the Participant shall select, in the form and manner prescribed by the Compensation Committee, an entitlement date on which the Deferred Shares credited to the Participant's Deferred Share account, which have vested in accordance with the Deferred Share Plan, shall be redeemed (the "Entitlement Date"). The Entitlement Date shall be no later than the end of the first quarter immediately following the quarter in which the Participant's Redemption Date occurred. In the event that the Participant does not select an Entitlement Date prior to the end of the first quarter immediately following the quarter in which the Participant's Redemption Date occurred, the Entitlement Date shall be deemed to be the last day of the quarter immediately following the quarter in which the Participant's Redemption Date occurred.

Subject to: (i) the provisions of the Deferred Share Plan; and (ii) the receipt by The Canadian Depository for Securities Limited of the Participant's brokerage account information from his or her securities broker, the Participant shall receive (in a form and manner to be prescribed by the Compensation Committee), within ten (10) business days after the Entitlement Date, a whole number of Shares from the Corporation equal to the whole number of Deferred Shares then recorded in the Participant's Deferred Share account that has vested in accordance with the provisions of the Deferred Share Plan, net of any applicable withholding taxes. To facilitate the payment of applicable withholding taxes, the Corporation may, in its sole discretion, provide a cash loan to the Participant in an amount equal to the estimated amount of the tax liability payable in respect of the Shares received by the Participant upon the redemption of the Deferred Shares, which loan shall bear interest at a rate and which shall be repayable on such terms as agreed upon by the Corporation and the Participant. In the event that the Participant and the Corporation cannot agree to the terms of the loan or cannot come to other mutually agreeable arrangements, the Corporation may as a condition of issuing the Shares to the Participant under the Deferred Share Plan (i) require the Participant to reimburse the Corporation for any applicable withholding taxes in respect of the issuance of the Shares to such Participant; (ii) reserve the right to withhold, consistent with any applicable law, from any compensation or other amounts payable to the Participant, any applicable withholding taxes required to be paid by the Corporation on behalf of the Participant or on its own behalf as a result of the issuance of Shares to such Participant; (iii) retain, acquire or sell on behalf of a Participant any Shares that would otherwise be issued to a Participant; or (iv) impose such other requirements as the Corporation in its discretion determines is necessary to ensure the payment of the applicable withholding taxes.

Upon redemption of the Deferred Shares held by a Participant that have vested in accordance with the Deferred Share Plan, all of the Deferred Shares held by such Participant, whether vested or unvested, shall be cancelled unless otherwise determined by the Compensation Committee in its sole discretion.

United States Participants

On May 14, 2013, the Deferred Share Plan was amended to provide for a different definition of "Redemption Date" for U.S. Participants that is in compliance with the Code as well as certain other changes for U.S. Participants. For a description of these

provisions, see "Appendix for U.S. Participants" which is attached as an appendix to the Deferred Share Plan which is available on SEDAR at www.sedar.com.

Amendment, Suspension or Termination of the Deferred Share Plan

The Board may amend, suspend or terminate the Deferred Share Plan or any provision thereof at any time, without the approval of Shareholders. Without limiting the generality of the foregoing, the Board may make changes:

- (a) to correct errors, immaterial inconsistencies or ambiguities in the text of the Deferred Share Plan;
- (b) necessary or desirable to comply with applicable laws or regulatory requirements, rules or policies; and
- (c) to the vesting provisions applicable to Deferred Shares issued under the Deferred Share Plan.

Notwithstanding the foregoing, the following amendments to the Deferred Share Plan require an affirmative vote by a majority of the votes cast by Shareholders at a meeting called for that purpose:

- (a) an amendment that would result in any increase in the number of Deferred Shares issuable under the Deferred Share Plan;
- (b) the addition of provisions that would permit Deferred Shares granted under the Deferred Share Plan to be transferable or assignable other than as set forth below under "Assignment of Deferred Shares"; and
- (c) a change in the amendment provisions so as to grant the Board or the Compensation Committee additional powers to amend the Deferred Share Plan or entitlements without the approval of Shareholders.

If the Board terminates the Deferred Share Plan, or if the Deferred Share Plan is terminated because it is not re-approved by Shareholders at the Meeting, Deferred Shares previously credited to Participants shall remain outstanding and in effect and shall be settled subject to and in accordance with the applicable terms and conditions of the Deferred Share Plan in effect immediately prior to the termination.

Assignment of Deferred Shares

In no event may the rights or interest of a Participant under the Deferred Share Plan be assigned, encumbered, pledged, transferred or alienated in any way, except to the extent that: (i) certain rights may pass to a beneficiary or legal representative upon death of a Participant, by will or by the laws of succession and distribution; and/or (ii) the Deferred Shares may be assigned or transferred to a Participant's tax free savings account, if eligible to be held in such account.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No Director or executive officer of the Corporation or proposed nominee for election as a Director, or their respective associates, was indebted to the Corporation or its subsidiaries during the year ended December 31, 2014.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The following transactions were carried out by the Corporation with related parties.

Property Leases

Various entities lease several buildings from related parties who were vendors of the entity that the Corporation purchased the businesses from originally. These vendors are considered related parties because of their continued involvement in the management of those businesses. These leases are considered to be at market terms and recognized in the consolidated financial statements at the exchange amounts. The total costs incurred in 2014 under these leases was \$2.7 million (2013 – \$2.1 million) and the lease term maturities range from 2015 to 2018. The expense is recorded within general and administrative expenses and is paid monthly, therefore no balance exists on the Corporation's statement of financial position (2013 – nil).

Key Management Compensation

The Corporation identifies its key management personnel being those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise).

Compensation awarded to key management for the 2014 fiscal year and the comparative fiscal 2013 year is as follows:

	Fiscal 2013	Fiscal 2014
Salaries and short-term benefits	\$2,872,000	\$4,341,000
Share-based payments	\$1,118,000	\$1,510,000
Total Compensation	\$3,990,000	\$5,851,000

OTHER MATTERS

The Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting; however, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional financial information is provided in the Corporation's audited consolidated financial statements and management's discussion and analysis, each for the period ended December 31, 2014. Copies of these and other documents may be obtained from the CEO of the Corporation upon request to the address set out below. The Corporation may require a non-Shareholder to pay a reasonable charge for the material requested. This and other additional information relating to the Corporation may also be found on SEDAR at www.sedar.com.

EXCHANGE INCOME CORPORATION

Attention: Michael Pyle, CEO
1067 Sherwin Road
Winnipeg, Manitoba, R3H 0T8
Or by phone: (204) 982-1850
Or by fax: (204) 982-1855
Or by email: MPyle@eig.ca

DIRECTORS' APPROVAL

The Directors have approved the contents of this Circular and the distribution of this Circular to Shareholders.

"Dianne Spencer"

Dianne Spencer
Corporate Secretary
April 6, 2015

SCHEDULE "A"

BOARD OF DIRECTORS MANDATE

The Board of directors (the "Board") of Exchange Income Corporation (the "Company") will carry out the procedures, responsibilities and duties set out below. In doing so, the Board shall oversee the management of the Company's business and affairs in the interests of the shareholders of the Company, while continually monitoring the integrity of the Company, its subsidiaries, its officers and employees.

BOARD COMPOSITION

1. The Board should consist of a cross-section of highly professional and competent members with the necessary knowledge and abilities to facilitate the Company meeting its legal, financial, operational and societal objectives.
2. The election of directors occurs at the annual general meeting of the Company and is for a term of one year.
3. A majority of the members of the Board shall be independent pursuant to applicable legislation and regulations.

MEETINGS

4. The Chair of the Board shall solicit from the members of the Board recommendations as to matters to be brought before the Board, which matters shall receive a fair hearing at the Board meetings. The Board will meet at least five times per year. A quorum for meetings is a majority of directors.
5. A meeting agenda and background material on agenda items will be provided prior to each meeting so that Board members have an opportunity for advance review of relevant materials. Senior management will be made accessible to Board members at Board meetings and meetings of committees (each a "Committee") of the Company and at such other times as the Board members may request.
6. All directors are encouraged to attend meetings of the Board and/or Committees in person. However, when this is not possible, a director may participate in a meeting of the Board or of a Committee by means of telephone or other communications facilities which permit all persons participating in the meeting to hear each other, and a director participating by such means is deemed to be present at the meeting.

REMUNERATION

7. Remuneration of the Board will be established upon the recommendation of the Compensation Committee and shall be generally in line with that paid by other Canadian controlled public companies of a similar size and type.

DUTIES AND RESPONSIBILITIES OF THE BOARD

8. The Board is responsible for the supervision of the management of the Company's business and affairs. The Board has the statutory authority and obligation to oversee the maintenance and protection of the assets of the Company in the interest of all of the shareholders of the Company.
9. Although directors may be elected by the shareholders of the Company to bring a special expertise or point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company must be paramount at all times.
10. The involvement and commitment of directors is evidenced by regular Board and Committee attendance, preparation and active participation in setting goals, and requiring performance for the benefit of shareholders of the Company.
11. While the Board is called upon to "manage" the business, this is done through delegation to the Chief Executive Officer who is charged with the day-to-day management of the Company. The Board approves the goals of the business, the objectives and policies within which it is managed, and then steps back and evaluates management performance. Reciprocally, management keeps the Board fully informed of the progress of the Company towards the achievement of its established goals and of all material deviations from the goals or objectives and policies established by the Board in a timely and candid manner.
12. The Board operates by delegating certain of its responsibilities and authority, including spending authorization, to management and reserving certain powers to itself.

Management Selection, Retention, Succession and Remuneration

13. Subject to the Articles and By-laws of the Company, the Board manages its own affairs, including planning its composition, selecting its Chairperson, nominating candidates for election to the Board, appointing Committees, establishing the charters and duties of the Board and its Committees, and determining Board compensation.
14. The Board has responsibility for the appointment and replacement of the Chief Executive Officer, for monitoring the performance of the Chief Executive Officer, and for determining the compensation of the Chief Executive Officer.

15. The Board has responsibility for approving the appointment and remuneration of all corporate officers, acting upon the advice of the Chief Executive Officer, and for overseeing the implementation of adequate management succession mechanisms.

16. The Board must satisfy itself as to the integrity of the Chief Executive Officer and other executive officers and that the Chief Executive Officer and other executive officers create a culture of integrity throughout the Company.

Strategy Determination

17. The Board has the responsibility of participating directly or through its Committees in developing and approving the mission of the Company, its objectives and goals, and the strategy for the achievement of such objectives and goals.

18. The Board is responsible for promoting congruence between the expectations of shareholders of the Company, Company goals and objectives and management performance.

Monitoring and Acting

19. The Board is responsible for monitoring the Company's progress towards its goals, and to revise and alter its direction in light of changing circumstances.

20. The Board is responsible for providing advice and counsel to the Chief Executive Officer and for taking appropriate action when performance of the Company falls short of its goals or other special circumstances warrant such action.

Policies and Procedures

21. The Board is responsible for approving and monitoring compliance with all significant policies and procedures by which the Company operates.

22. The Board is responsible for monitoring the Company's operations to ensure that such operations comply with applicable laws and regulations and ethical and moral standards at all times.

Reporting To Shareholders

23. The Board is responsible for monitoring the performance of the Company and providing regular, adequate and timely reporting of such performance to shareholders of the Company, other security holders and regulators.

24. The Board is responsible for overseeing the report of audited annual financial statements in accordance with generally accepted accounting standards, and for reviewing the Company's quarterly financial statements before publication.

25. The Board is responsible for the timely reporting of any developments that have a significant and material impact on the value of the Company or its publicly traded securities.

General Legal Obligations

26. The directors of the Company generally have the following legal obligations:

- (i) To manage the business and affairs of the Company.
- (ii) To act honestly and in good faith with a view to the best interests of the Company.
- (iii) To exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- (iv) To act in accordance with their obligations under the *Canada Business Corporations Act*, securities, environmental, and other relevant legislation, and the Company's articles and by-laws.
- (v) To consider as the full Board and not delegate to a Committee:
 - a. any submission to the shareholders of the Company of a question or matter requiring the approval of the shareholders of the Company;
 - b. the filling of a vacancy among the directors or the Company's auditor;
 - c. the manner and the terms of the issuance of securities;
 - d. the declaration of dividends by the Company;
 - e. the purchase, redemption or any other form of acquisition of shares issued by the Company;

- f. the payment of a commission to any person in consideration of his purchasing or agreeing to purchase shares of the Company from the Company or from any other person, or procuring or agreeing to procure purchasers for any such shares;
- g. the approval of a management proxy circular;
- h. the approval of annual and interim financial statements;
- i. the approval of any take-over bid circular, directors' circular or comparable circular; and
- j. the adoption, amendment or repeal of the By-laws of the Company and proposed amendments to the Articles of the Company to be submitted to shareholders of the Company for approval.

BOARD COMMITTEES

Purpose

27. The Board may establish, seek the advice of and delegate responsibilities to Committees of the Board.

28. Committees undertake detailed examination of specific aspects of the Company as outlined in their charters. The Committees provide a smaller, more intimate forum than full Board meetings and are designed to be more conducive to exhaustive and forthright discussion.

29. Committees analyze in depth policies and strategies which are developed by management. They examine alternatives and, where appropriate, make recommendations to the full Board.

30. Committees do not take action or make decisions on behalf of the Board unless specifically mandated to do so. The Board reserves the right to oversee, review and approve Committee activity.

Membership

31. Subject to the Articles of the Company and the By-laws of the Company, the Chairs and members of the Committees are recommended by the Chair of the Board, in consultation with the Chair of the Governance Committee, and appointed by the Board.

32. Committees should be made up of not less than three and not more than six directors.

33. The Chair of the Board shall be an *ex-officio* member of each Committee.

Procedures

34. The Chair of each Committee shall preside at Committee meetings; in that person's absence, an alternate may be elected by the Committee.

35. A majority of the members of a Committee constitutes a quorum.

36. Each Committee shall meet at the call of its Chair at least once in the fiscal year, or in accordance with the applicable Charter.

37. Upon advising the Board Chair, a Committee may from time to time request the assistance of external advisors to research, investigate and report on matters within that Committee's Charter.

38. The Corporate Secretary, or a person delegated by the Corporate Secretary, will be the secretary to a Committee. All minutes of the Committees will be forwarded by the Secretary to each member of the Board in a timely manner.

39. The proceedings of Committees shall be conducted in accordance with the By-laws of the Company and the Articles of the Company and the applicable Committee charter.

40. Each Committee Chair shall report or cause a report to be made to the Board at each Board meeting following a Committee meeting.

STANDING COMMITTEES

41. The Board has established the following standing Committees:

- (i) the Audit Committee;
- (ii) the Governance Committee;
- (iii) the Compensation Committee ;

- (iv) the Aviation Sector Advisory Committee;
- (v) the Manufacturing Sector Advisory Committee; and
- (vi) the Disclosure and Competition Committee.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND INSURANCE

42. The following summarizes the arrangements relating to the indemnification and insurance of directors and officers of the Company, its subsidiaries and other entities it may direct:

STATUTORY FRAMEWORK

43. The *Canada Business Corporations Act* provides that a corporation may indemnify (and the Corporation does indemnify) a director or officer against all costs, charges and expenses (including an amount paid to settle an action or satisfy a judgment) reasonably incurred in respect of any civil, criminal or administrative action or proceeding if the person has acted honestly and in good faith with a view to the best interests of the corporation and, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the person had reasonable grounds for believing that the conduct complained of was lawful. In the case of an action brought by or on behalf of the corporation, the corporation may indemnify the directors and officers only with the approval of the court and in any case the indemnity would cover only the costs, charges, and expenses reasonably incurred by the individual in connection with the action.

TERMS OF REFERENCE FOR INDIVIDUAL DIRECTORS

The Board exercises its powers and responsibilities as a group. No individual director has the power to act on his or her own. As a member of the Board, each director will fulfill the legal requirements and obligations of a director, which include the responsibilities:

- (i) to act honestly and in good faith with a view towards the best interests of the Company; and
- (ii) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in similar circumstances.

GENERAL

44. Members of the Board shall:

- (i) Maintain a solid understanding of the role, responsibilities and legal duties of a director.
- (ii) Demonstrate an understanding of the difference between governing and managing, and not encroach on management's area of responsibility.
- (iii) Maintain confidentiality of all information that is acquired as a director.
- (iv) Understand conflict of interest issues and declare real or perceived conflicts, and disclose contracts or arrangements in which the director has an interest.
- (v) Demonstrate support for the values and ethics of the Company and a high standard of personal values and ethics.
- (vi) Participate actively as a member or Chair of one or more Committees and become knowledgeable with the mandates of those Committees.

SKILLS AND EXPERIENCE

45. Members of the Board shall:

- (i) Demonstrate skills and experience that are complementary to the directors and supportive of the Company's current activities and strategic direction.
- (ii) Utilize external relationships and resources in making a contribution and adding value to the Company.
- (iii) Effectively apply his or her knowledge, experience and expertise to issues confronting the Company.
- (iv) Serve as a helpful resource to the Board and to management where necessary and appropriate.

STRATEGIES AND PLANS

46. Members of the Board shall:

- (i) Maintain and demonstrate a comprehensive understanding of the Company's strategic direction and annual plans; including an understanding of the Company's principal risks.
- (ii) Contribute and add value to discussions regarding the Company's strategic direction.
- (iii) Participate in monitoring and evaluating the Chief Executive Officer's and management's success in achieving established goals set out in the Company's strategic and annual plans.

PREPARATION, ATTENDANCE AND AVAILABILITY

47. Members of the Board shall:

- (i) Maintain an excellent Board and Committee meeting attendance record.
- (ii) Attend entire Board or Committee meetings, not just parts of meetings.
- (iii) Attend meetings well prepared, having completed and understood the necessary background reading and having consulted other directors and/or management, if required, to evaluate and add value to agenda items presented.
- (iv) Where appropriate, demonstrate broader preparation than just the distributed material.
- (v) Be available when needed, and be accessible and approachable.
- (vi) Have the necessary time and commitment to fulfill responsibilities as a director and, if applicable, as a member of one or more Committees.

COMMUNICATION AND INTERACTION

48. Members of the Board shall:

- (i) Interact appropriately with the leadership and management of the Company.
- (ii) Participate fully and openly in Board deliberations and discussions.
- (iii) Be a team player – work effectively with fellow directors and be a positive and constructive force within the Board.
- (iv) Communicate persuasively and logically, voice concerns, listen and raise questions in a manner that encourages open discussion.
- (v) Be willing to take a stand or express a view, even if it runs contrary to prevailing wisdom or the direction of the discussion; exercise independent judgment.
- (vi) Advise the Chief Executive Officer and/or the Chair of the Board when introducing significant and/or previously unknown information or material at a Board meeting.

BUSINESS, COMPANY AND INDUSTRY KNOWLEDGE

49. Members of the Board shall:

- (i) Maintain and demonstrate a strong understanding of the business, services/products, markets and operations of the Company and its affiliates.
- (ii) Maintain and demonstrate knowledge of important industry trends and the competitive environment.
- (iii) Where appropriate, use contacts to increase understanding of the various issues with which the Board is concerned.
- (iv) Be familiar with and give access to the Company's senior management team and other high potential senior employees

Remain knowledgeable about the Company's operations and visit them when appropriate.

SCHEDULE "B"

SECOND AMENDED AND RESTATED GENERAL BY-LAW NO. 1

A BY-LAW RELATING GENERALLY TO THE CONDUCT OF THE AFFAIRS OF
EXCHANGE INCOME CORPORATION

(hereinafter called the "Corporation")

IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

DIVISION ONE

INTERPRETATION

1.01 Definitions

In the by-laws of the Corporation, unless the context otherwise specifies or requires:

- a. "Act" means the Canada Business Corporations Act;
- b. "appoint" includes "elect" and vice versa;
- c. "articles" means the articles of amalgamation of the Corporation, as from time to time amended or restated;
- d. "board" means the board of directors of the Corporation;
- e. "business day" means a day which is not a non-business day;
- f. "by-laws" means this by-law and all other by-laws of the Corporation from time to time in force and effect;
- g. "Canadian" has the meaning given to such term in the Canada Transportation Act;
- h. "electronic means" means in an electronic form, accessible so as to be useable for subsequent reference, and capable of being retained;
- i. "meeting of shareholders" includes an annual and a special meeting of shareholders;
- j. "non-business day" means Saturday, Sunday and any other day that is a holiday as from time to time defined in The Interpretation Act (Manitoba);
- k. "Regulations" means the regulations under the Act as published or from time to time;
- l. "signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Corporation by Section 3.01 of this by-law or by a resolution passed pursuant thereto;
- m. "special meeting of shareholders" means a meeting of any particular class or classes of shareholders and a meeting of all shareholders entitled to vote at any annual meeting of shareholders at which special business is to be transacted; and
- n. "voting share" means a share in the capital of the Corporation which entitles the holder thereof to vote at a meeting of shareholders.

Save as aforesaid, all terms which are contained in the by-laws of the Corporation and which are defined in the Act or the Regulations shall, unless the context otherwise specifies or requires, have the meanings given to such terms in the Act or the Regulations. Words importing the singular number include the plural and vice versa; the masculine shall include the feminine; and the word "person" shall include an individual, partnership, association, body corporate, body politic, trustee, executor, administrator and legal representative.

1.02 Amendments to Legislation and Regulations

Any reference to legislation or regulations of a government herein includes such legislation or regulation as from time to time amended and every enactment that may be substituted therefor and, in the case of such substitution, any references in the by-laws of the Corporation to provisions of an act or regulation shall be read as references to the substituted provisions therefor in the new act or regulation.

1.03 Headings and Sections

Headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions. "Section" followed by a number means a reference to a specified section of this by-law.

1.04 Conflict with Act or Articles

This by-law is subject to and read in conjunction with the Act and the articles; if there is any conflict or inconsistency between any provision of the Act or articles and this by-law, the provisions of the Act or the articles, as the case may be, shall govern.

DIVISION TWO

BANKING AND SECURITIES

2.01 Banking Arrangements

The banking business of the Corporation including, without limitation, the borrowing of money and the giving of security therefor, shall be transacted with such banks, trust companies or other bodies corporate or organizations or any other persons as may from

time to time be designated by or under the authority of the board. Such banking business or any part thereof shall be transacted under such agreements, instructions and delegations of power as the board may from time to time prescribe or authorize.

2.02 Voting Rights in Other Bodies Corporate

The signing officers of the Corporation may execute and deliver instruments of proxy and arrange for the issuance of voting certificates or other evidence of the right to exercise the voting rights attaching to any securities held by the Corporation. Such instruments, certificates or other evidence shall be in favour of such person or persons as may be determined by the officers executing such proxies or arranging for the issuance of such voting certificates or evidence of the right to exercise such voting rights. In addition, the board, or failing the board, the signing officers of the Corporation, may direct the manner in which and the person or persons by whom any particular voting rights or class of voting rights may or shall be exercised.

DIVISION THREE

EXECUTION OF INSTRUMENTS

3.01 Authorized Signing Officers

Unless otherwise authorized by the board, deeds, transfers, assignments, contracts, obligations, certificates, guarantees and indemnities and other instruments may be signed on behalf of the Corporation by any two of the Chief Executive Officer, the President, the Chair of the board, the Chief Financial Officer, the Chief Administrative Officer, the Executive Vice-Chair, any Vice-President, any director, the Secretary, the Treasurer, any Assistant Secretary or any Assistant Treasurer or any other officer created by by-law or by the board. In addition, the board may from time to time direct the manner in which and the person or persons by whom any particular instrument or class of instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same, but no instrument is invalid merely because the corporate seal is not affixed thereto.

3.02 Cheques, Drafts and Notes

All cheques, drafts or orders for the payment of money and all notes and acceptances and bills of exchange shall be signed by such officer or person or persons, whether or not officers of the Corporation, and in such manner as the board may from time to time designate by resolution.

DIVISION FOUR

DIRECTORS

4.01 Number

The board shall consist of such number of directors as is fixed by the articles, or where the articles specify a variable number, shall consist of such number of directors as is not less than the minimum nor more than the maximum number of directors provided in the articles and as shall be fixed from time to time by resolution of the shareholders.

4.02 Canadian Status

A majority of the directors of the Corporation shall be resident Canadians.

4.03 Election and Term

The election of directors shall take place at each annual meeting of shareholders or such other meetings of shareholders as may be called and all of the directors then in office, shall retire but, if qualified, shall be eligible for re-election. The number of directors to be elected at any such meeting, subject to the articles, shall be the number of directors then in office. Where the shareholders adopt an amendment to the articles to increase the number or minimum number of directors, the shareholders may, at the meeting at which they adopt the amendment, elect the additional number of directors authorized by the amendment. If an election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected.

4.04 Removal of Directors

Subject to the Act and the articles, the shareholders may by ordinary resolution passed at a special meeting of shareholders remove any director from office and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by the board.

4.05 Consent

A person who is elected or appointed a director is not a director unless:

- a. he or she was present at the meeting when he or she was elected or appointed and did not refuse to act as a director, or
- b. if he or she was not present at the meeting when he or she was elected or appointed:
 - i. he or she consented in writing to act as a director before his or her election or appointment or within ten (10) days after it, or
 - ii. he or she has acted as a director pursuant to the election or appointment.

4.06 Vacation of Office

A director of the Corporation ceases to hold office when he or she:

- a. dies or resigns;
- b. is removed in accordance with section 109 of the Act; or
- c. becomes disqualified under subsection 105(1) of the Act.

4.07 Committees of Directors

The directors may appoint from among their number one or more committees of directors, however designated, of which at least one-half of the members must be resident Canadians, and subject to section 115 of the Act, may delegate to such committees any of the powers of the directors. A committee may be comprised of one director. The directors may also appoint one or more advisory committees to the board comprised of at least one director and which may include persons who are not directors. The directors may not delegate any powers of the directors to such advisory committees and the chairs of such committees must be directors.

4.08 Transaction of Business of Committee

Subject to the provisions of this by-law with respect to participation in a meeting, the powers of a committee of directors may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all of the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. Meetings of such committee may be held at any place in Canada or such other place as may be determined by the chair and may be called by any one member of the committee giving notice in accordance with the by-laws governing the calling of meetings of the board. For greater certainty, the provisions of this Section 4.08 do not apply to advisory committees to the board.

4.09 Procedure

Unless otherwise determined herein or by the board, each committee shall have the power to fix its quorum at not less than a majority of its members, to elect its chair and to regulate its procedure.

4.10 Remuneration and Expenses

The directors shall be paid such remuneration for their services as the board may from time to time determine. The directors shall also be entitled to be reimbursed for travelling and other expenses properly incurred by them in attending meetings of the board or any committee thereof. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving remuneration therefor.

4.11 Vacancies

Subject to the Act, a quorum of the board may fill a vacancy among the directors. If there is not a quorum of directors, or if there has been a failure to elect the number or minimum number of directors required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder.

4.12 Action by the Board

The board shall manage or supervise the management of the business and affairs of the Corporation. Notwithstanding a vacancy among the directors, a quorum of directors may exercise all the powers of the directors. If the Corporation has only one director, that director may constitute a meeting.

4.13 Advance Notice of Director Nominations

Subject to the provisions of the Act and the articles of the Corporation, a nominee will not be eligible for election as director of the Corporation unless such nomination is made in accordance with the following procedures.

a. subject to Section 4.13(b), nominations of persons for election as directors at a meeting of shareholders may be made only:

i. by or at the direction of the board;

ii. pursuant to a proposal (as defined in the Act) or a requisition of a meeting of shareholders, in each case made in accordance with the Act; or

iii. by a nominating shareholder who delivers a nomination notice to the Corporation within the nomination window by personal delivery or by courier to the Corporation's registered office addressed to the Chief Executive Officer.

b. the board may, prior to any meeting of shareholders, in its sole discretion, waive any requirement in this Section 4.13. Unless waived by the board, a nomination window will not be changed by any adjournment or postponement of a meeting of shareholders, or the announcement of any adjournment or postponement.

c. For the purposes of this Section 4.13, the following terms have the following meanings:

i. "local time" means the local time at the Corporation's registered office;

ii. "meeting announcement date", in respect of a meeting of shareholders, means the date of the first public filing or announcement of the date of that meeting;

iii. "nominating shareholder", in respect of a meeting of shareholders, means a person who is a registered or beneficial holder of one or more voting shares carrying the right to vote on the election of directors at that meeting as of the record date for notice for that meeting, and as of the date on which the nomination notice is delivered to the Corporation;

iv. "nomination notice" means a written notice that sets out:

A. all information that would be required to be disclosed, under the Act and applicable securities laws, in a dissident proxy circular in connection with solicitations of proxies for the election of directors relating to a nominating shareholder (as if that nominating shareholder were a dissident soliciting proxies) and each person whom that nominating shareholder proposes to nominate for election as a director;

B. the class and number of shares of the Corporation held, directly or indirectly, by or on behalf of that nominating shareholder;

C. confirmation that the proposed nominees meet the qualifications of directors set out in the Act;

- D. information on the residency of each proposed nominee, for the purposes of determining whether the residency requirements set out in the Act will be met; and
- E. confirmation as to whether each proposed nominee is independent for the purposes of National Instrument 52-110 Audit Committees or any amendment or replacement of such instrument; and
- v. "nomination window", in respect of a meeting of shareholders, means:
- A. in the case of an annual meeting:
- I. if that meeting is called for a date that is fewer than 50 days following the meeting announcement date, the period starting at 9:00 a.m. (local time) on the meeting announcement date and ending at 5:00 p.m. (local time) on the 10th day following the meeting announcement date; and
- II. otherwise, the period starting at 9:00 a.m. (local time) on the date that is 65 days prior to the date of that meeting and ending at 5:00 p.m. (local time) on the date that is 30 days prior to the date of that meeting; or
- B. in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), the period starting at 9:00 a.m. (local time) on the meeting announcement date and ending at 5:00 p.m. (local time) on the 15th day following the meeting announcement date.

DIVISION FIVE

MEETING OF DIRECTORS

5.01 Place of Meeting

Meetings of the board may be held at any place within Canada or such other place as may be determined by the chair provided that a majority of the meetings of the board in any calendar year are held in Canada.

5.02 Notice of Meeting

Unless the board has made regulations otherwise, meetings of the board may be summoned on twenty-four (24) hours' notice, given verbally or in writing, and whether by means of telephone or telegraph, electronic means, or any other means of communication. A notice of a meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where the Act requires such purpose or business to be specified, including any proposal to:

- a. submit to the shareholders any question or matter requiring approval of the shareholders;
- b. fill a vacancy among the directors or in the office of auditor;
- c. appoint additional directors;
- d. issue securities, except in the manner and on the terms authorized by the board;
- e. declare dividends;
- f. purchase, redeem or otherwise acquire shares issued by the Corporation, except in the manner and on the terms authorized by the board;
- g. pay a commission for the sale of shares;
- h. approve a management proxy circular;
- i. approve any financial statements to be placed before the shareholders at an annual meeting; or
- j. adopt, amend or repeal by-laws.

Provided, however, that a director may in any manner, and either before or after the meeting, waive notice of a meeting and attendance of a director at a meeting of the board shall constitute a waiver of notice of the meeting except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

For the first meeting of the board to be held immediately following an election of directors no notice of such meeting shall be necessary, and for a meeting of the board at which a director is to be appointed to fill a vacancy in the board, no notice of such meeting shall be necessary to the newly elected or appointed director or directors in order to legally constitute the meeting, provided, in each case, that a quorum of the directors is present.

5.03 Adjourned Meeting

Notice of an adjourned meeting of the board is not required if the time and place of the adjourned meeting is announced at the original meeting.

5.04 Calling of Meetings

Meetings of the board shall be held from time to time at such time and at such place as the board, the Chair of the board, the Chief Executive Officer, the President or any two directors may determine. Should more than one of the above-named individuals call a meeting at or for substantially the same time, there shall be only one meeting held and such meeting shall occur at the time and place determined by, in order of priority, the board, any two directors, the Chair of the board, the Chief Executive Officer or the President.

5.05 Regular Meetings

The board may, from time to time, appoint a day or days in any month or months for regular meetings of the board at a place and hour to be named. A copy of any resolution of the board fixing the place and time of such regular meetings shall be sent to each director forthwith after being passed, and forthwith to each director subsequently elected or appointed, but no other notice shall be

required for any such regular meeting except where the Act or this by-law requires the purpose thereof or the business to be transacted thereat to be specified.

5.06 Chair

The chair of any meeting of the board shall be the Chair of the board or such other person chosen by the directors.

5.07 Quorum

Subject to Section 5.09, the quorum for the transaction of business at any meeting of the board shall consist of a majority of the directors holding office or such greater number of directors as the board may from time to time determine.

5.08 Majority Canadian Representation at Meetings

Other than to fill a vacancy on the board, directors shall not transact business at a meeting of directors unless a majority of the directors present are resident Canadians. Notwithstanding the foregoing, directors may transact business at a meeting of directors when less than a majority of the directors present are resident Canadians if:

- a. a resident Canadian director who is unable to be present approves in writing or by electronic means, telephone or other communications facilities the business transacted at the meeting; and
- b. the number of resident Canadian directors present at the meeting, together with any resident Canadian director who gives his or her approval under clause (a), totals at least a majority of the directors present at the meeting.

5.09 Voting

Questions arising at any meeting of the board shall be decided by a majority of votes, and in the event of any equality of votes, the chair of the meeting shall not have a second or casting vote.

5.10 Participation in Meeting

A director may participate in a meeting of the board or a committee of the board by electronic means, telephone, or other communication facilities as permit all persons participating in the meeting to hear or otherwise communicate with each other, and a director participating in such meeting by such means is deemed to be present at the meeting.

5.11 Resolution in Lieu of Meeting

Notwithstanding any of the foregoing provisions of this by-law, a resolution in writing signed by all the directors entitled to vote on that resolution at a meeting of the board or a committee of directors is as valid as if it had been passed at a meeting of the board or committee of directors, as the case may be. A copy of every such resolution shall be kept with the minutes of the proceedings of the directors or committee of directors. Any such resolution in writing is effective for all purposes at such time as the resolution states regardless of when the resolution is signed and may be signed in counterpart.

5.12 Amendments to the Act

It is hereby affirmed that the intention of Sections 4.07 and 5.08, as they relate to Canadian representation, is to comply with the minimum requirements of the Act, the Canada Transportation Act, and the Canada Transportation Agency and in the event that such minimum requirements shall be amended, deleted or replaced such that no, or lesser, requirements with respect to Canadian representation are then in force, such Sections shall be deemed to be correspondingly amended, deleted or replaced without any further act of the directors or shareholders of the Corporation.

DIVISION SIX

PROTECTION OF DIRECTORS AND OFFICERS

6.01 Conflict of Interest

A director or officer shall not be disqualified from his or her office, or be required to vacate his or her office, by reason only that he or she is a party to, or is a director or officer of or has a material interest in any person who is a party to, a material contract or material transaction or proposed material contract or proposed material transaction with the Corporation or a subsidiary thereof. Such a director or officer shall, however, disclose the nature and extent of his or her interest in the contract or transaction or proposed contract or transaction at the time and in the manner provided by the Act. Subject to the provisions of the Act, a director or officer shall not by reason only of his or her office be accountable to the Corporation or to its shareholders for any profit or gain realized from such a contract or transaction, and such contract or transaction shall not be void or voidable by reason only of the director's interest therein, provided that the required declaration and disclosure of interest is properly made, the contract or transaction is approved by the directors or shareholders, if necessary, and it was fair and reasonable to the Corporation at the time it was approved and, if required by the Act, the director refrains from voting as a director on the contract or transaction.

Even if the above conditions are not met, a director or officer acting honestly and in good faith shall not be accountable to the Corporation or to its shareholders for any profit realized from a material contract or material transaction for which disclosure is required by the Act, and such contract or transaction shall not be void or voidable by reason only of the director or officer's interest therein, provided that the material contract or material transaction was approved or confirmed by special resolution at a meeting of the shareholders, disclosure of the interest was made to the shareholders in a manner sufficient to indicate its nature before such contract or transaction was approved or confirmed, and such contract or transaction was reasonable and fair to the Corporation at the time it was approved or confirmed.

6.02 Limitation of Liability

No director or officer, for the time being of the Corporation, shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested or for any loss, conversion, misapplication or misappropriation of or any damage

resulting from any dealings with any moneys, securities or other assets belonging to the Corporation or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person, corporation or other entity with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any other loss, conversion, misapplication, misappropriation of or any damage resulting from dealings with any money, securities or other assets of or belonging to the Corporation or for any damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the express requirements of the Act and the Regulations thereunder or from liability for any breach thereof. The directors, for the time being of the Corporation, shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name of or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board.

No act or proceeding of any director or officer or the board shall be deemed invalid or ineffective by reason of the subsequent ascertainment of any irregularity in regard to such act or proceeding or the election, appointment or qualification of such director or officer or board.

6.03 Indemnity

To the maximum extent permitted by the Act, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his or her heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him or her in respect of any civil, criminal or administrative action or proceeding to which he or she is made a party by reason of being or having been a director or officer of the Corporation or such body corporate.

Nothing herein contained shall limit the right of any person entitled to indemnity to claim indemnity apart from the provisions of this Section 6.03.

6.04 Insurance

The Corporation may purchase and maintain insurance for the benefit of any person referred to in Section 6.03 against any liability incurred by him or her:

- a. in his or her capacity as a director or officer of the Corporation, except where the liability relates to his or her failure to act honestly and in good faith with a view to the best interests of the Corporation; or
- b. in his or her capacity as a director or officer of another body corporate where he or she acts or acted in that capacity at the Corporation's request, except where the liability relates to his or her failure to act honestly and in good faith with a view to the best interests of the body corporate.

6.05 Advance of Funds

The Corporation may advance funds to a director or officer in order to defray the costs, charges and expenses of proceedings for which the Act permits indemnification, provided that if the director or officer does not meet the conditions required for indemnity under the Act; namely that he or she (a) was substantially successful on the merits in the defence of the action or proceeding; (b) acted honestly and in good faith, with a view to the best interests of the Corporation, and in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the director or officer had reasonable grounds for believing that the director's or officer's conduct was lawful; and (c) is fairly and reasonably entitled to indemnity; he or she shall repay the funds advanced.

DIVISION SEVEN

OFFICERS

7.01 Election or Appointment

The board may, from time to time, appoint a Chair of the board, a Chief Executive Officer, a President, an Executive Vice-Chair, a Chief Financial Officer, one or more Vice-Presidents, a Secretary, a Treasurer and such other officers as the board may determine, including one or more assistants to any of the officers so appointed. The board may specify the duties of and, in accordance with this by-law and subject to the provisions of the Act, delegate to such officers powers to manage the business and affairs of the Corporation. Except for the Chair of the board and the Executive Vice-Chair, each of whom must be a director, an officer may, but need not be, a director and one person may hold more than one office.

7.02 Chair of the Board

The Chair of the board shall, when present, preside at all meetings of the board and at all meetings of shareholders. The board may assign to the Chair of the board any of the powers and duties that, by any provision of this by-law, are assigned to the Chief Executive Officer; and he or she shall, subject to the provisions of the Act, have such other powers and duties as the board may specify. During the absence or disability of the Chair of the board, his or her duties shall be performed and his or her powers exercised by such other person chosen by the directors.

7.03 Chief Executive Officer

The Chief Executive Officer shall, subject to the authority of the board have general supervision of the business and affairs of the Corporation. The Chief Executive Officer shall also have such other powers and duties as the board may specify of that office; provided, however, that unless he or she is a director he or she shall not preside as chair at any meeting of the board.

7.04 President

The board may select a President who shall have such powers and perform such duties as may be assigned by the board or by the Chief Executive Officer. In the absence or disability of the President, his or her duties shall be performed by the Chief Executive Officer or such persons as the board or the Chief Executive Officer may designate.

7.05 Chief Financial Officer

The Chief Financial Officer shall keep proper accounting records in compliance with the Act and shall be responsible for the deposit of money, the safekeeping of securities and the disbursement of the funds of the Corporation; he or she shall render to the board whenever required an account of all his or her transactions and he or she shall have such other powers and duties as the board or the Chief Executive Officer may specify.

7.06 Vice-President(s)

During the absence or disability of the Chief Executive Officer, his or her duties shall be performed and his or her powers exercised by the President, and if the President is absent or disabled, by the Vice-President or, if there is more than one, by the Vice-President designated from time to time by the board; provided, however, that a Vice-President who is not a director shall not preside as chair at any meeting of the board. A Vice-President shall have such other powers and duties as the board or the Chief Executive Officer may specify.

7.07 Secretary

The Secretary shall attend and be the secretary of all meetings of the board, shareholders and committees of directors and shall enter or cause to be entered in records kept for that purpose minutes of all proceedings thereat; he or she shall give or cause to be given, as and when instructed, all notices to shareholders, directors, officers, auditors and members of committees of the board; he or she shall be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, papers, records, documents and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose; and the Secretary shall have such other powers and duties as the board or the Chief Executive Officer may specify.

7.08 Powers and Duties of Other Officers

The powers and duties of all other officers shall be such as the terms of their engagement call for or as the board or the President may specify. Any of the powers and duties of an officer to whom an assistant has been appointed may be exercised and performed by such assistant, unless the board or the Chief Executive Officer otherwise directs.

7.09 Variation of Powers and Duties

The board may from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.

7.10 Vacancies

If the office of any officer of the Corporation shall be or become vacant by reason of death, resignation, disqualification or otherwise, the board, by resolution, may appoint a person to fill such vacancy.

7.11 Remuneration and Removal

The remuneration of all officers appointed by the board shall be determined from time to time by resolution of the board. The fact that any officer or employee is a director or shareholder of the Corporation shall not disqualify him or her from receiving such remuneration as may be determined. All officers shall be subject to removal by resolution of the board at any time, with or without cause, notwithstanding any agreement to the contrary, provided however that this right of removal shall not limit in any way such officer's right to damages by virtue of such agreement or any other rights resulting from such removal in law or equity.

7.12 Agents and Attorneys

The Corporation, by or under the authority of the board, shall have the power from time to time to appoint agents or attorneys for the Corporation in or outside Canada with such powers (including the power to sub-delegate) of management, administration or otherwise as may be thought fit.

7.13 Conflict of Interest

An officer shall disclose his or her interest in any material contract or material transaction or proposed material contract or proposed material transaction with the Corporation in accordance with Section 6.01.

7.14 Fidelity Bonds

The board may require such officers, employees and agents of the Corporation, as the board deems advisable, to furnish bonds for the faithful discharge of their powers and duties, in such forms and with such surety as the board may from time to time determine.

DIVISION EIGHT

SHAREHOLDERS' MEETINGS

8.01 Annual Meetings

Subject to the Act, the annual meeting of shareholders shall be held at such time and on such day in each year and at such place or places as the board may from time to time determine, for the purpose of considering the financial statements and reports required by the Act to be placed before the annual meeting, electing directors, appointing auditors and for the transaction of such other business as may properly be brought before the meeting.

8.02 Special Meetings

The board shall have the power to call a special meeting of shareholders at any time.

8.03 Place of Meetings

Meetings of shareholders shall be held as provided for in the articles, or failing any reference in the articles, at such place in Canada as the board may determine.

Subject to the Act and Regulations, if the directors or the shareholders of the Corporation call a meeting of shareholders, the directors or the shareholders, as the case may be, may determine that the meeting shall be held entirely by electronic means,

telephone or other communication facility that permits all participants to communicate adequately with each other during the meeting. Any meeting of shareholders will be subject to procedures, if any, established by the directors.

8.04 Record Date for Notice

The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than fifty (50) days and not less than twenty-one (21) days, as a record date for the determination of shareholders entitled to notice of or to vote at the meeting. If no record date is fixed, the record date for the determination of the shareholders entitled to receive notice of or to vote at the meeting shall be the close of business on the date immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

8.05 Notice of Meeting

Notice of the time and place of each meeting of shareholders shall be sent not less than twenty-one (21) days and not more than fifty (50) days before the meeting to each shareholder entitled to vote at the meeting, each director and the auditor of the Corporation. Such notice may be sent by electronic means, or by mail addressed to, or may be delivered personally to, the shareholder, at the shareholder's latest address as shown in the records of the Corporation or its transfer agent, to the director, at the director's latest address as shown in the records of the Corporation or in the last notice filed pursuant to section 106 or 113 of the Act, and to the auditor, at the auditor's most recent address as shown in the records of the Corporation. A notice of meeting of shareholders sent by mail to a shareholder, director or auditor in accordance with the above is deemed to be served on the day on which it was deposited in the mail. A notice of a meeting is not required to be sent to shareholders who are not registered on the records of the Corporation or its transfer agent on the record date as determined according to Section 8.04 hereof. Notice of a meeting of shareholders at which special business is to be transacted shall state the nature of such business in sufficient detail to permit the shareholder to form a reasoned judgment thereon and shall state the text of any special resolution to be submitted to the meeting. A special meeting of shareholders and an annual meeting may be convened by one and the same notice and it shall not be an objection to the notice that it only convenes the second meeting contingently on any resolution being passed by the requisite majority at the first meeting.

8.06 Right to Vote

Subject to the provisions of the Act as to authorized representatives of any other body corporate and subject to the provisions of the Act and the Regulations and the articles of the Corporation with respect to restrictions on the voting rights of non-Canadians in certain circumstances, at any meeting of shareholders in respect of which the Corporation has prepared the list referred to in Section 8.07 hereof every person who is named in such list shall be entitled to vote the shares shown thereon opposite his or her name except to the extent that such person has transferred any of such person's shares after the record date set pursuant to Section 8.04 hereof or, if no record date is fixed, after the date on which the list referred to in Section 8.07 is prepared, and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that such person owns such shares, demands not later than ten (10) days before the meeting that such person's name be included to vote the transferred shares at the meeting. In the absence of a list prepared as aforesaid in respect of a meeting of shareholders, every person shall be entitled to vote at the meeting who at the close of business on the record date, or if no record date is set, at the close of business on the date preceding the date notice is sent, is entered in the securities register as the holder of one or more shares carrying the right to vote at such meeting.

8.07 List of Shareholders Entitled to Notice

The Corporation shall prepare a list of shareholders entitled to receive notice of a meeting, arranged in alphabetical order, and showing the number of shares held by each shareholder in accordance with section 138 of the Act. If a record date for the meeting is fixed pursuant to Section 8.04 hereof by the board, the shareholders listed shall be those registered at the close of business on the record date. If no record date is fixed by the board, the shareholders listed shall be those listed at the close of business on the last business day immediately preceding the day on which notice of a meeting is given, or where no such notice is given, the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where its central securities register is maintained and at the place where the meeting is held.

8.08 Waiver of Notice

A shareholder and any other person entitled to attend a meeting of shareholders may in any manner waive notice of a meeting of shareholders and attendance of any such person at a meeting of shareholders shall constitute a waiver of notice of the meeting except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

8.09 Chair, Secretary and Scrutineers

The Chair of the board or, in his or her absence, the Chief Executive Officer, if such an officer has been elected or appointed and is present, or otherwise the President if such an officer has been elected or appointed and is present, or otherwise the Chief Financial Officer if such an officer has been elected or appointed and is present, or otherwise a Vice-President if such an officer has been elected or appointed and is present (in order of seniority of service with the Corporation), shall be chair of any meeting of shareholders. If no such officer is present within fifteen (15) minutes from the time fixed for holding the meeting, or declines to be chair of the meeting, the persons present and entitled to vote shall choose one of their number to be chair. If the Secretary of the Corporation is absent, the chair shall appoint some person, who need not be a shareholder, to act as secretary of the meeting. If desired, one or more scrutineers, who need not be shareholders, may be appointed by a resolution or by the chair with the consent of the meeting.

8.10 Persons Entitled to be Present

The only persons entitled to be present at a meeting of shareholders shall be those entitled to vote thereat, the directors and auditors of the Corporation and others who, although not entitled to vote, are entitled or required under any provision of the Act or the articles or by-laws to be present at the meeting. Any other person may be admitted only on the invitation of the chair of the meeting or with the consent of the meeting.

8.11 Quorum

A quorum at any meeting of shareholders (unless a great number of persons are required to be present or a greater number of shares are required by the Act or by the articles or by any other by-law) shall be two (2) persons in number, one of whom shall be, or be representing, a Canadian, and holding or representing not less than five (5%) per cent of the shares entitled to be voted at the meeting. If a quorum is present at the opening of any meeting of shareholders, the shareholders present or represented may proceed with the business of the meeting notwithstanding that a quorum is not present throughout the meeting; provided that at least one Canadian shall be present in person or represented by proxy. If a quorum is not present at the opening of the meeting of shareholders, the shareholders present or represented may adjourn the meeting to a fixed time and place but may not transact any other business.

8.12 Participation in Meeting

A shareholder or any other person entitled to attend a meeting may participate in a meeting of shareholders by electronic means, telephone or other communication facilities as permit all persons participating in the meeting to hear or otherwise communicate with each other if the Corporation makes such communication facility available, and a person participating in such a meeting by such means is deemed to be present at the meeting. Any such meeting will be subject to the provisions of the Act, Regulations and procedures, if any, established by the directors.

8.13 Proxyholders and Representatives

Votes at meetings of the shareholders may be given either personally or by proxy; or, in the case of a shareholder, who is a body corporate or association, by an individual authorized by a resolution of the board or governing body of the body corporate or association to represent it at a meeting of shareholders of the Corporation, upon producing a certified copy of such resolution or otherwise establishing his or her authority to vote to the satisfaction of the Secretary or the chair.

A proxy shall be executed by the shareholder or his or her attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and is valid only at the meeting in respect of which it is given or any adjournment of that meeting. A person appointed by proxy need not be a shareholder.

8.14 Time for Deposit of Proxies

The board may specify in a notice calling a meeting of shareholders a time, preceding the time of such meeting by not more than forty-eight (48) hours exclusive of Saturdays, Sundays and holidays, before which time proxies to be used at such meeting must be deposited. A proxy shall be acted upon only if prior to the time so specified, it shall have been deposited with the Corporation or an agent thereof specified in such notice or, if no such time having been specified in such notice, it has been received by the Secretary of the Corporation or by the chair of the meeting or any adjournment thereof prior to the time of voting.

8.15 Joint Shareholders

If two or more persons hold shares jointly, any one of them present in person or duly represented at a meeting of shareholders may, in the absence of the other or others, vote the shares; but if two or more of those persons are present in person or represented and vote, they shall vote as one the shares jointly held by them.

8.16 Votes to Govern

Except as otherwise required by the Act, all questions proposed for the consideration of shareholders at a meeting of shareholders shall be determined by a majority of the votes cast and in the event of an equality of votes at any meeting of shareholders, the chair shall not have a second or casting vote.

8.17 Conduct of Vote

Subject to the Act, voting at a meeting of shareholders shall be by a show of hands, unless a ballot is required or demanded as hereinafter provided, and may be held, subject to the Act, entirely by electronic means, telephone or other communication facility, if the Corporation makes such a communication facility available. Every person who is present or otherwise participating in the meeting pursuant to section 8.13 hereof and entitled to vote shall have one vote. Whenever a vote shall have been taken upon a question, unless a ballot thereon is so required or demanded, a declaration by the chair of the meeting that the vote upon the question has been carried or carried by a particular majority or defeated and an entry to that effect in the minutes of the meeting shall be prima facie evidence of the fact without proof of the number of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of shareholders upon the said question.

8.18 Ballots

On any question proposed for consideration at a meeting of shareholders:

- a. a shareholder, proxyholder or other person entitled to vote may demand and the chair may require that a ballot be taken either before or upon the declaration of the result of any vote; and
- b. a ballot shall be conducted where proxies representing at least 5% of the votes attached to shares represented at the meeting, either by shareholders personally or by proxy, require the proxyholders to vote against a matter.

If a ballot is demanded on the election of a chair or on the question of an adjournment it shall be taken forthwith without an adjournment. A ballot demanded or required on any other question shall be taken in such manner as the chair shall direct. A demand or requirement for a ballot may be withdrawn at any time prior to the taking of the ballot. If a ballot is taken each person present shall be entitled, in respect of the shares that he or she is entitled to vote at the meeting upon the question, to the number of votes as provided for by the articles or, in the absence of such provision in the articles, to one vote for each share he or she is entitled to vote. The result of the ballot so taken shall be the decision of the shareholders upon the question. The demand or requirement for a ballot shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the ballot has been demanded or required.

8.19 Adjournment

The chair at a meeting of shareholders may, with the consent of the meeting and subject to such conditions as the meeting may decide, adjourn the meeting from time to time and from place to place. If a meeting of shareholders is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned meeting, other than by announcement at the time of the adjournment. Subject to the Act, if a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given in the same manner as notice for an original meeting but, unless the meeting is adjourned by one or more adjournments for an aggregate of more than ninety (90) days, subsection 149(1) of the Act does not apply.

8.20 Resolution in Lieu of a Meeting

A resolution in writing signed by all the shareholders entitled to vote on that resolution at a meeting of shareholders is as valid as if it had been passed at a meeting of the shareholders; and a resolution in writing dealing with all matters required to be dealt with at a meeting of shareholders and signed by all the shareholders entitled to vote at such meeting, satisfies all the requirements of the Act relating to meetings of shareholders. A copy of every such resolution in writing shall be kept with the minutes of the meetings of shareholders. Any such resolution in writing is effective for all purposes at such time as the resolution states regardless of when the resolution is signed and may be signed in counterparts.

8.21 Only One Shareholder

Where the Corporation has only one shareholder or only one holder of any class or series of shares, the shareholder present in person or duly represented constitutes a meeting.

DIVISION NINE

SHARES

9.01 Non-Recognition of Trusts

Subject to the Act, the Corporation may treat the registered holder of any share as the person exclusively entitled to vote, to receive notices, to receive any dividend or other payment in respect of the share, and otherwise to exercise all the rights and powers of an owner of the share.

9.02 Certificates

The shareholder is entitled at his or her option to a share certificate that complies with the Act or a non-transferable written acknowledgement of his or her right to obtain a share certificate from the Corporation in respect of the securities of the Corporation held by him or her. Share certificates and acknowledgements of a shareholder's right to a share certificate, respectively, shall be in such form as described by the Act and as the board shall from time to time approve. A share certificate shall be signed manually by at least one director or officer of the Corporation or by or on behalf of a registrar, transfer agent or branch transfer agent of the Corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on the share certificate may be printed or otherwise mechanically reproduced on it.

9.03 Replacement of Share Certificates

The board or any officer or agent designated by the board may in its or his or her discretion direct the issuance of a new share certificate or other such certificate in lieu of and upon cancellation of a certificate that has been mutilated or in substitution for a certificate claimed to have been lost, destroyed or wrongfully taken on payment of such reasonable fee and on such terms as to indemnity, reimbursement of expenses and evidence of loss and of title as the board may from time to time prescribe, whether generally or in any particular case.

9.04 Joint Holders

The Corporation is not required to issue more than one share certificate in respect of a share held jointly by several persons, and delivery of a certificate to one of several joint holders is sufficient delivery to all. Any one of such holders may give effectual receipts for the certificate issued in respect thereof or for any dividend, bonus, return of capital or other money payable or warrant issuable in respect of such certificate.

Where shares are owned or controlled jointly by one or more persons who are non-Canadian, the shares shall be deemed to be owned or controlled, as the case may be, by non-Canadians.

DIVISION TEN

TRANSFER OF SECURITIES

10.01 Registration of Transfer

If a share in registered form is presented for registration of transfer, the Corporation shall register the transfer if:

- a. the share is endorsed by an appropriate person, as defined in section 65 of the Act;
- b. reasonable assurance is given that the endorsement is genuine and effective;
- c. the Corporation has no duty to enquire into adverse claims or has discharged any such duty;
- d. all applicable laws have been complied with;
- e. the transfer is rightful or is to a bona fide purchaser;
- f. the transfer fee, if any, has been paid; and
- g. the parties to the transfer have complied with the articles, the Act and Regulations and all by-laws, regulations and policies of the Corporation.

10.02 Transfer Agents and Registrar

The board may from time to time by resolution appoint or remove one or more trust companies registered under the Trust and Loan Companies Act (Canada) as its agent or agents to maintain a central securities register or registers, and an agent or agents to maintain a branch securities register or registers. Agents so appointed may be designated as transfer agent or registrar according to their functions, and a person may be appointed and designated with functions as both registrar and transfer or branch transfer agent. Registration of the issuance or transfer of a security in the central securities register or in a branch securities register is complete and valid registration for all purposes.

10.03 Securities Registers

A central securities register of the Corporation shall be kept at its registered office or at any other place in Canada designated by the board to record the shares and other securities issued by the Corporation in registered form, showing with respect to each class or series of shares and other securities:

- a. the names, alphabetically arranged, and the latest known address of each person who is or has been a holder;
- b. the number of shares or other securities held by each holder; and
- c. the date and particulars of the issuance and transfer of each share or other security.

A branch securities register or registers may be kept either in or outside Manitoba at such place or places as the board may determine. A branch securities register shall only contain particulars of securities issued or transferred at that branch. Particulars of each issue or transfer of a security registered in a branch securities register shall also be kept in the corresponding central securities register.

10.04 Deceased Shareholders

In the event of the death of a holder, or of one of the joint holders, of any share, the Corporation shall not be required to make any entry in the securities register in respect thereof or to make any dividend or other payments in respect thereof except upon production of all such documents as may be required by law and upon compliance with the reasonable requirements of the Corporation and its transfer agents.

DIVISION ELEVEN

DIVIDENDS AND RIGHTS

11.01 Dividends

Subject to the Act, the board may from time to time declare dividends payable to the shareholders according to their respective rights and interest in the Corporation. Dividends may be paid in money or property or by issuing fully-paid shares of the Corporation.

11.02 Dividend Cheques

A dividend payable in money shall be paid by cheque to the order of each registered holder of shares of the class or series in respect of which it has been declared and shall be mailed by prepaid ordinary mail to such registered holder at his or her address recorded in the Corporation's securities register or registers or such address as such holder otherwise directs. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all such joint holders and mailed to them at their recorded address. The mailing of such cheque as aforesaid, unless the same is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented thereby plus the amount of any tax which the Corporation is required to and does withhold.

11.03 Non-Receipt of Cheques

In the event of non-receipt of any dividend cheque by the person to whom it is sent as aforesaid, the Corporation shall issue to such person a replacement cheque for a like amount on such terms as to indemnity, reimbursement of expenses and evidence of non-receipt and of title as the board may from time to time prescribe, whether generally or in any particular case.

11.04 Unclaimed Dividends

No dividend shall bear interest against the Corporation. Any dividend unclaimed after a period of six (6) years from the date on which the same has been declared to be payable shall be forfeited and shall revert to the Corporation.

DIVISION TWELVE

INFORMATION AVAILABLE TO SHAREHOLDERS

12.01 Confidential information

Except as provided by the Act, no shareholders shall be entitled to obtain information respecting any details or conduct of the Corporation's business which, in the opinion of the directors, it would not be in the interests of the Corporation to communicate to the public.

12.02 Conditions of Access to Information

The directors may from time to time, subject to rights conferred by the Act, determine whether and to what extent and at what time and place and under what conditions or regulations the documents, books and registers and accounting records of the Corporation or any of them shall be open to the inspection of shareholders and no shareholder shall have any right to inspect any document or book or register or account record of the Corporation except as conferred by statute or authorized by the board or by a resolution of the shareholders.

12.03 Registered Office and Separate Records Office

The registered office of the Corporation shall be at a place within Manitoba and at such location therein as the board may from time to time determine. The records office will be at the registered office or at such location, if any, within Manitoba, as the board may from time to time determine.

DIVISION THIRTEEN

NOTICES

13.01 Method of Giving Notices

A notice or document required by the Act, the Regulations, the articles or the by-laws to be sent to a shareholder or director of the Corporation may be sent by electronic means or by prepaid mail addressed to, or may be delivered personally to:

- a. the shareholder at his or her latest address as shown in the records of the Corporation or its transfer agent; and
- b. the director at his or her latest address as shown in the records of the Corporation or in the last notice filed under section 106 or 113 of the Act.

A notice or document sent by prepaid mail in accordance with the foregoing to a shareholder or director of the Corporation is deemed to be received by him or her three days after the date that it was sent unless there are reasonable grounds for believing that the shareholders or director did not receive the notice or document at the time or at all.

13.02 Notice to Joint Shareholders

If two or more persons are registered as joint holders of any share, any notice may be addressed to all of such joint holders but notice addressed to one of such persons shall be sufficient notice to all of them.

13.03 Persons Entitled by Death or Operation of Law

Every person who, by operation of law, transfer, death of a shareholder or any other means whatsoever, shall become entitled to any share, shall be bound by every notice in respect of such share which shall have been duly given to the shareholders from whom he or she derives his or her title to such share prior to his or her name and address being entered on the securities register (whether such notice was given before or after the happening of the event upon which he or she became so entitled) and prior to his or her furnishing to the Corporation file proof of authority or evidence of his or her entitlement prescribed by the Act.

13.04 Non-Receipt of Notices

If a notice or document is sent to a shareholder in accordance with Section 13.01 and the notice or document is returned on two (2) consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notice or documents to the shareholder until the shareholder informs the Corporation in writing of his or her new address; provided always, that in the event of the return of a notice of a shareholders meeting mailed to a shareholder in accordance with Section 13.01 the notice shall be deemed to be received by the shareholder on the date deposited in the mail notwithstanding its return.

13.05 Omissions and Errors

Subject to the Act, the accidental omission to give any notice to any shareholder, director, officer, auditor or member of a committee of the board or the non-receipt of any notice by any such person or any error in any notice not affecting the substance thereof shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

13.06 Signature on Notices

Unless otherwise specifically provided, the signature of any director or officer of the Corporation to any notice or document to be given by the Corporation may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

13.07 Waiver of Notice

If a notice or document is required by the Act or the Regulations, the articles, the by-laws or otherwise to be sent, the sending of the notice or document may be waived or the time for the notice or document may be waived or abridged at any time with the consent in writing of the person entitled to receive it. The consent of a person entitled to waive the requirement for the sending of a notice or document or to waive or abridge the time for the notice or the document may be sent by electronic means in accordance with the provisions of the Electronic Commerce and Information Act (Manitoba).

DIVISION FOURTEEN

MEASURES TO GIVE EFFECT TO RESTRICTIONS ON OWNERSHIP RIGHTS

14.01 Holder

The board may require, at all times and from time to time, that any holder of voting shares of the Corporation, the agent of such holder, or a broker or nominee in whose name the voting shares of the Corporation are registered, provide any information that the board in its sole discretion considers necessary or advisable in order to enable the Corporation to administer, monitor and comply with the restrictions on ownership, transfer and voting of voting shares of the Corporation set out in the Act and the Articles of the Corporation.

14.02 Transfer or Issue of Shares

The board may require, prior to accepting any transfer of or subscription for voting shares of the Corporation, that the prospective holder, the agent of such prospective holder, or a broker or nominee in whose name the voting shares of the Corporation are to be registered, provide any information that the board in its sole discretion considers necessary or advisable in order to enable the Corporation to administer, monitor and comply with the restrictions on ownership, transfer and voting of voting shares of the Corporation set out in the Act and the articles of the Corporation.

14.03 Declaration and Other Information

Without limiting the generality of Sections 14.02 and 14.03, in order to administer, monitor and comply with the restrictions on ownership, transfer and voting of voting shares of the Corporation set out in the Act and the articles of the Corporation, the board may, in its discretion:

- a. require a person in whose name such shares are registered to provide a statutory declaration under the Canada Evidence Act or otherwise concerning:
 - i. whether the shareholder is the beneficial owner of, or controls, voting shares of the Corporation or holds them for a beneficial owner;
 - ii. whether the shareholder is an associate of another shareholder;
 - iii. whether the shareholder or beneficial owner is a Canadian; and
 - iv. any further facts that the board in its sole discretion considers relevant;
- b. require any person seeking to have a transfer of a voting share registered in his or her name or to have a voting share issued to him or her to provide a declaration similar to the declaration a person may be required to provide under paragraph a. above; and
- c. determine any other circumstances in which any declaration(s) similar to the declaration a person may be required to provide under paragraph a. above are required, the person(s) from whom such declaration(s) are required, the form of such declaration(s), their form and the times at which such declaration(s) are required to be provided.

14.04 Failure to provide a Declaration or other Information

When a person is required to provide a declaration or any other information required pursuant to this by-law and fails to comply with such requirement, the board may take the following measures until the declaration or the information concerned has been provided:

- a. refuse to recognize all ownership rights, including the voting rights, attributable to the voting shares held by the person;
- b. refuse to register a transfer of a voting share in the person's name or in the name of anyone for whom the person is acting as an agent, broker or nominee;
- c. refuse to issue a voting share to the person or to anyone for whom the person is acting as an agent, broker or nominee; or
- d. take any other measure deemed necessary or advisable by the board in its sole discretion in order to administer, monitor and/or comply with the provisions concerning the restrictions on ownership, transfer and voting rights attributable to the voting shares of the Corporation set out in the Act and the articles of the Corporation.

14.05 Share Certificate

The board is authorized to adopt and make, from time to time, all the amendments to the Corporation's share certificate forms required to administer, monitor and comply with the restrictions on the ownership, transfer and voting rights attributable to voting shares of the Corporation set out in the Act and the articles of the Corporation.

DIVISION FIFTEEN

MISCELLANEOUS

15.01 Severability

The invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

15.02 Effective Date

This by-law shall come into force when approved by the board in accordance with the Act.

MADE by the board the 15th day of May, 2014.

"Dianne Spencer"
Secretary

CONFIRMED by the shareholders in accordance with the Act, the 13th day of May, 2015.

Secretary