

**THE CALDWELL PARTNERS INTERNATIONAL INC.**

**NOTICE OF ANNUAL AND SPECIAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON THURSDAY, FEBRUARY 15, 2018**

**AND**

**MANAGEMENT INFORMATION CIRCULAR  
DATED JANUARY 3, 2018**

**✓ YOUR VOTE MATTERS.**

Please take a moment to vote.  
Your participation as a Shareholder is important to us.  
This document tells you who can vote,  
what you will be voting on and how to vote.

Meeting to be held at 4:00 p.m., Thursday, February 15, 2018  
At the head office of  
The Caldwell Partners International Inc.  
6<sup>th</sup> Floor  
165 Avenue Road  
Toronto, Ontario

## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of the holders of common shares (“**Shareholders**”) of The Caldwell Partners International Inc. (the “**Corporation**”) will be held at 4:00 p.m. on Thursday, February 15, 2018 at the head office of the Corporation on the 6<sup>th</sup> Floor, 165 Avenue Road, Toronto for the following purposes:

1. to receive the annual report and the consolidated financial statements of the Corporation for the fiscal year ended August 31, 2017 and the report of the auditors thereon;
2. to elect the directors of the Corporation;
3. to appoint the Corporation’s auditors and to authorize the board of directors of the Corporation (the “**Board**”) to fix their remuneration;
4. to consider and, if deemed advisable, pass an ordinary resolution confirming amendments to, and the restatement of, the By-Law No. I of the Corporation; and
5. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the management information circular (the “**Circular**”), which accompanies, and is deemed to form a part of, this Notice of Meeting.

**Shareholders of record as of the close of business on January 3, 2018 will be entitled to notice of and to vote on the matters to be put before the Meeting.**

Registered Shareholders who are unable to attend the Meeting in person are requested to complete their proxies (a) by delivering the completed proxy using the pre-addressed envelope provided for this purpose; (b) over the internet by going to [www.investorvote.com](http://www.investorvote.com) and following the instructions provided; (c) by telephone, by calling 1-866-732-VOTE (8683) (toll free within North America) or 312-588-4290 (International), by 4:00 p.m. on February 13, 2018 or if the Meeting is adjourned, not later than 48 hours (excluding weekends and holidays) prior to the time of such adjourned Meeting.

Non-Registered Shareholders who receive these materials through their intermediaries or the Corporation’s transfer agent are requested to follow the instructions for voting provided therein, which may include the completion and delivery of voting instruction forms.

Dated at Toronto, Ontario the 3<sup>rd</sup> day of January, 2018

By Order of the Board of Directors

Per:



C. Christopher Beck, CPA  
Corporate Secretary

## MANAGEMENT INFORMATION CIRCULAR

### SOLICITATION OF PROXIES BY MANAGEMENT

**This Management Information Circular (the “Circular”) is furnished in connection with the solicitation by management of The Caldwell Partners International Inc. (the “Corporation” or the “Company”) of proxies to be used at the Corporation’s annual and special meeting of holders of common shares (“Shareholders”) of the Corporation to be held on Thursday, February 15, 2018 at the time and place and for the purposes set out in the accompanying Notice of Meeting.**

The costs of solicitation of proxies for the Meeting will be borne by the Corporation.

Except as otherwise stated, the information contained herein is given as of January 3, 2018.

### APPOINTMENT AND REVOCATION OF PROXIES

**The person(s) named in the accompanying form of proxy are officers of the Corporation. A Shareholder has the right to appoint a person, who need not be a Shareholder, other than the person(s) designated in the accompanying form of proxy, to attend and act on behalf of the Shareholder at the Meeting or at any adjournment thereof. To exercise this right, a Shareholder may either insert such other person’s name in the blank space provided in the accompanying form of proxy or complete another appropriate form of proxy and, in either case, deliver the completed and executed form of proxy as provided below.**

In the case of registered Shareholders, to be valid, a written proxy being deposited with the Corporation must be dated and manually signed by the Shareholder or his/her attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney. The proxy, to be acted upon, must be deposited with the Corporation by mail, through its registrar and transfer agent, Computershare Trust Company of Canada, at its office at 100 University Avenue 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department, by hand to the same address in Toronto, Ontario, by internet at [www.investorvote.com](http://www.investorvote.com) (in which case you will be prompted to enter your Control Number, which is located on the accompanying Form of Proxy) or by telephone, by calling 1-866-732-VOTE (8683) (toll free within North America) or 312-588-4290 (International), by 4:00 p.m. on February 13, 2018 or if the Meeting is adjourned, not later than 48 hours (excluding weekends and holidays) prior to the time of such adjourned Meeting.

A Shareholder who has given a proxy may revoke it by depositing an instrument in writing (including another proxy) executed by the Shareholder, or by the Shareholder’s attorney authorized in writing, at the office of the Corporation’s registrar and transfer agent Computershare Trust Company of Canada, at the address set out above, at any time up to and including the last business day prior to the date of the Meeting or any adjournment thereof, or with the chair of the Meeting, on the day of the Meeting at any time before it is exercised on any particular matter or in any other manner permitted by law including attending the Meeting in person.

### VOTING BY NON-REGISTERED SHAREHOLDERS

Only registered Shareholders of the Corporation or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, common shares of the Corporation (“**Common Shares**” or “**Shares**”) are beneficially owned by a person (a “**Non-Registered Holder**”) and are

registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); 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 the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation will have distributed copies of the Notice of Meeting, this Circular and form of proxy (collectively, the “**meeting materials**”) to the Intermediaries for onward distribution to Non-Registered Holders.

Non-Registered Holders who have not waived the right to receive meeting materials will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

- (a) **Voting Instruction Form.** In most cases, a Non-Registered Holder will receive, as part of the meeting materials, a voting instruction form. If the Non-Registered Holder does not wish to attend and vote at the meeting in person (or have another person attend and vote on the Holder’s behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. If a Non-Registered Holder wishes to attend and vote at the meeting in person (or have another person attend and vote on the Holder’s behalf), the Non-Registered Holder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered Holder.
- (b) **Form of Proxy.** Less frequently, a Non-Registered Holder will receive, as part of the meeting materials, a form of proxy that may have already been signed by an Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the meeting in person (or have another person attend and vote on the Non-Registered Holder’s behalf), the Non-Registered Holder must complete the form of proxy and deposit it with the Corporation’s registrar and transfer agent, Computershare Trust Company of Canada, at its office at 100 University Avenue 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department or by internet or telephone pursuant to the instructions provided in the form of proxy, by 4:00 p.m. February 13, 2018 or if the Meeting is adjourned, not later than 48 hours (excluding weekends and holidays) prior to the time of such adjourned Meeting. If a Non-Registered Holder wishes to attend and vote at the meeting in person (or have another person attend and vote on the Non-Registered Holder’s behalf), the Non-Registered Holder must insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided.

**Non-Registered Holders should follow the instructions on the forms they receive and contact their Intermediaries promptly if they need assistance.**

#### **EXERCISE OF DISCRETION BY PROXY HOLDER**

If a Shareholder specifies a choice on the form of proxy with respect to any matter set out therein, the Common Shares will be voted accordingly on any vote or ballot that may be called for on such matters. **If a Shareholder does not so specify a choice, the Common Shares represented by proxy will be voted in favour of the matters to be voted on by Shareholders as described in this Circular.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the resolutions, and with respect to any other matter which may properly come before the Meeting. As of the date of this Circular, management is not aware of any such amendment or variation proposed or likely to come before the Meeting. However, if any such amendment or variation properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote on such other business in accordance with their judgment.

### **VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

As at January 3, 2018, 20,404,555 Common Shares of the Corporation were issued and outstanding. Each holder of Common Shares shown as registered on January 3, 2018 is entitled to one vote per Common Share in respect of each matter to be voted upon at the Meeting.

To the knowledge of the directors and officers of the Corporation, the persons who beneficially own or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to the Common Shares of the Corporation are as follows:

<b>Name</b>	<b>Number of Common Shares</b>	<b>% of Outstanding Common Shares</b>
C. Douglas Caldwell <sup>(1)</sup>	4,272,807	20.9%

<sup>(1)</sup> Held directly or through private corporations controlled by him as reported on the System for Electronic Disclosure for Insiders (SEDI).

### **INTERESTS OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

No person who has been a director or executive officer of the Corporation at any time since the beginning of its last completed financial year, no proposed nominee for election as a director, and no associate of any of the foregoing persons has any material interest, direct or indirect, in any matter to be acted upon at the Meeting, except as disclosed in this Circular.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **1. ELECTION OF DIRECTORS**

The Articles of the Corporation provide that the board of directors of the Corporation (the “**Board**”) shall consist of a minimum of one director and a maximum of ten directors (each a “**Director**”). The Board has determined that there will be five Directors and five nominees are proposed, as set out below. **Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote FOR the election of each of the nominees whose names are set forth below.**

Name and Municipality of Residence	Position(s) with the Corporation	Principal Occupation	Served as Director Since	Number of Common Shares Held <sup>(1)</sup>	Number of DSUs Held <sup>(2)</sup>
Paul R. Daoust Boston, Massachusetts	Director Independent	Consultant & Corporate Director	2013	200,000	98,218
Richard D. Innes Toronto, Ontario	Director Independent	Consultant & Corporate Director	2009	100,000	83,086
G. Edmund King Toronto, Ontario	Director Independent	Corporate Director	2003	100,000	114,243
John N. Wallace Toronto, Ontario	Director, President and Chief Executive	Director, President and Chief Executive	2009	760,500	-
Kathryn A. Welsh Stouffville, Ontario	Director Independent	Consultant & Corporate Director	2009	40,000	83,086

- (1) Number of Common Shares of The Caldwell Partners International Inc. beneficially owned, directly or indirectly, or over which control or direction is exercised, as reported by respective nominees as at January 3, 2018.
- (2) Number of DSUs including adjustments made for dividends held by each Director under the current Deferred Share Unit Plan (the "DSU Plan") for Directors as at January 3, 2018. The DSU Plan is described beginning under the heading Compensation of Directors in this Circular. Mr. Wallace does not participate in the DSU Plan and receives no fees for his services as a director of the Corporation.

Committee members and chairs for the current Directors standing for re-election are summarized as follows:

	Board Of Directors	Audit Committee	Nominating/ Corporate Governance/ Compensation Committee (NCGC)	Investment Committee
Paul R. Daoust	✓	✓	Chair	✓
Richard D. Innes	✓	✓	✓	Chair
G. Edmund King	Chair	✓	✓	✓
John N. Wallace	✓	(1)	(1)	✓
Kathryn A. Welsh	✓	Chair	✓	✓

- (1) Mr. Wallace does not sit on the Audit or NCGC Committees, as he is the Chief Executive Officer of the Corporation, and therefore not an independent Director.

All of the said proposed nominees have held the positions set out opposite their names or other management functions with their respective organizations for the last five years, except as may be noted below:

***Paul R. Daoust***

Consultant and Corporate Director

Mr. Daoust holds a B.A. in mathematics from Boston College and a Masters of Actuarial Science, with distinction, from the University of Michigan and is a Fellow of the Society of Actuaries. From February, 2005 until December, 2015 (following the acquisition of its core employer division), Mr. Daoust served as the chair of HighRoads, Inc., a privately held technology-enabled services company, where he also served

as chief executive officer from February 2005 to December 2008. Previous operating experience includes more than 28 years with Watson Wyatt (now Willis Towers Watson), including 5 years as global chief operating officer and 9 years as a board director. In terms of public board experience, he recently served as a director for Mac-Gray, a technology-enabled services provider in business services until it was acquired in January, 2014. In prior years he was a director for Gevity HR, Inc. which provided HR to the SMB Market until it was acquired in 2009, and Salary.com, a provider of SaaS compensation solutions, where he also served as interim CEO until it was acquired in 2010. He also currently serves on the board of directors of three companies in the business services space: Hooper Holmes, a public traded company, and Advantia Health and DirectPath, both privately held companies.

***Richard D. Innes***

Consultant and Corporate Director

Mr. Innes holds an Honours Business Administration degree from Western University. He currently is an independent consultant. From 1997 to 2007, Mr. Innes was president and chief executive officer of Arbor Memorial Services Inc., a company listed on the Toronto Stock Exchange (the "TSX") at the time which operated cemeteries, crematoria, and funeral homes across Canada. Mr. Innes' lengthy and broad business career includes serving as president of the Frozen Products and Industrial divisions of Ault Foods, and other senior roles at Catelli, Nabisco Brands Limited, Playtex Limited, Canadian Marketing Associates, and Procter & Gamble, where he began his career.

***G. Edmund King***

Corporate Director

Edmund King holds a B.A. in Economics from the University of Toronto. He is a director of Maple Gold Corp, Rockcliff Metals Corp, Highvista Gold Inc. and the Canadian Cardiovascular Academy. Mr. King was previously chairman and CEO of Wood Gundy Ltd., and of CIBC Wood Gundy and Chairman of WIC Western International Communications. Mr. King is a former director of Engagement Labs Inc., Falconbridge Ltd., Rockwater Capital Corporation, Imax Corp and McCarvill Corporation. Mr. King is also the former chairman of the Investment Dealers Association of Canada, The Princess Margaret Hospital, and a former director of the National Ballet of Canada, the Shaw Festival, and the Centre for Addiction and Mental Health Foundation (CAMH).

***John N. Wallace***

President, Chief Executive Officer, and Director

Prior to joining the Corporation in 2008, Mr. Wallace was president and chief executive officer of Highland Partners, the executive search division of Hudson Highland Group, Inc., the world's largest combined executive search, specialty staffing, and related consulting services firm. Mr. Wallace began his career in the executive search industry when, in 1996, he joined Illsley Bourbonnais as president and managing partner.

Earlier, Mr. Wallace held progressive positions in sales and marketing in the communications industry, including VP, marketing and planning for Nortel Communications Systems and VP, marketing and information services for Telecommunications Terminal Systems, as well as various roles at Bell Canada. Mr. Wallace holds a BSc (Honors) from the University of Waterloo.

***Kathryn A. Welsh***

Consultant and Corporate Director

Ms. Welsh holds a B. Comm. (Honours – Gold Medalist) from Queen's University. Ms. Welsh has been an independent consultant since 2004. From 2002 to 2004, she served as chief financial officer and

corporate secretary of Radian Communication Services Corporation. Ms. Welsh has held a number of other senior financial positions, including CFO for Simvest Solutions, The Second Cup, and Canada Bread. She began her business career as a senior accountant with KPMG, subsequently holding management positions at Holt Rinehart & Winston of Canada Limited and Innopac Inc. Ms. Welsh earned her CPA - CA designation in 1982; in 2008 she became an Institute Certified Director, Institute of Corporate Directors, and has served as a director or trustee for a number of organizations. Ms. Welsh also currently serves as Director and Audit Committee Chair for Pizza Pizza Royalty Corp.

Director attendance at Board and committee meetings held during the fiscal year 2017 is summarized as follows:

	<b>Board Meetings Attended/ Possible</b>	<b>Audit Committee Meetings Attended/ Possible</b>	<b>Nominating/ Corporate Governance/ Compensation Committee (NCGC) Meetings Attended/Possible</b>	<b>Investment Committee Meetings Attended/ Possible</b>
Paul R. Daoust	7/7	4/4	3/3	4/4
Richard D. Innes	7/7	4/4	3/3	4/4
G. Edmund King	6/7	4/4	3/3	4/4
John N. Wallace <sup>(1)</sup>	7/7	(1)	(1)	4/4
Kathryn A. Welsh	7/7	4/4	3/3	4/4

<sup>(1)</sup> Mr. Wallace does not sit on the Audit or NCGC Committees, as he is the Chief Executive Officer of the Corporation, and therefore not an independent Director.

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

To the knowledge of the Corporation, no Director or proposed Director is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director or chief executive officer or chief financial officer of any company (including the Corporation) that: (a) was the subject of an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to an order that was issued after the director or executive officer 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. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant corporation access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Corporation, no Director or proposed Director: (a) is, or within ten (10) years before the date hereof has been a director or executive officer of a corporation that 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 proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has within the ten (10) years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or proposed director. No Director or proposed Director has been subject to any: (a) penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement



with a securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder in deciding whether to vote for the Director or proposed Director.

## 2. APPOINTMENT OF AUDITORS

It is proposed that PricewaterhouseCoopers LLP, Chartered Accountants, be appointed as auditors of the Corporation at the Meeting. PricewaterhouseCoopers LLP have been the Corporation's auditors since 1988. Representatives of PricewaterhouseCoopers are expected to be present at the meeting.

**Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Corporation until the next annual meeting of shareholders, and to authorize the directors to fix the remuneration of the auditors.**

## 3. CONFIRMATION OF AMENDED AND RESTATED BY-LAW NO. I

On October 12, 2017, the Board adopted amendments to the Corporation's By-Law No. I setting out advance notice requirements for director nominations (the "**Advance Notice Requirements**"), among other changes to modernize and bring the by-laws in conformity with current practices. The full text of the new amended and restated by-law (reflecting all amendments to the Corporation's By-Law No. I) is set out in Schedule B hereto (the "**Amended and Restated By-Law No. I**"). At the Meeting, shareholders will be asked to consider and, if thought appropriate, pass an ordinary resolution confirming the Amended and Restated By-Law No. I.

The Advance Notice Requirements set forth a procedure requiring advance notice to the Corporation by any shareholder who intends to nominate any person for election as a director of the Corporation other than pursuant to (a) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (Ontario) (the "**OBCA**"), or (b) a shareholder proposal made pursuant to the provisions of the OBCA. Among other things, the Advance Notice Requirements fix a deadline by which shareholders must notify the Corporation of their intention to nominate directors and sets out the information that shareholders must provide in the notice in order for it to be valid. In particular, under the Advance Notice Requirements, a shareholder wishing to nominate a director would be required to provide notice to the Corporation in the prescribed form within the time periods described in Section 11 of the Amended and Restated By-Law No. I, a copy of which (reflecting all amendments) is attached as Schedule "A" hereto.

The Advance Notice Requirements provide a mechanism through which Shareholders are able to receive appropriate disclosure with respect to proposed director nominees prior to a meeting. It will also provide the Corporation with the opportunity, prior to a meeting, to confirm the eligibility of a proposed director to serve as an independent director and to confirm certain other information about the proposed nominee and the nominating shareholder that could be material to a reasonable shareholder's understanding of such proposed nominee's independence, or lack thereof.

The inclusion of advance notice requirements in a corporation's by-laws has become a common and important tool for public companies in Canada and the United States to ensure that shareholders are provided with appropriate and timely information in connection with the election of directors. The proposed timing for the delivery of a notice under the Advance Notice Requirements and the information that must be submitted are in keeping with recognized good governance principles. The Board believes that the Advance Notice Requirements will benefit shareholders by: (i) facilitating orderly nomination and meeting processes; (ii) treating all shareholders fairly by providing timely and adequate notice of director nominations; (iii) allowing all shareholders to register an informed vote; and (iv) preventing the possibility of a small group of Shareholders taking advantage of a poorly attended meeting to nominate

their slate of directors from the floor, thereby imposing their slate on what could be a majority of Shareholders who are unaware that this could happen.

The Amended and Restated By-Law No. I has been effective since its adoption by the Board on October 12, 2017. Pursuant to the provisions of the OBCA, the Amended and Restated By-Law No. I will cease to be effective unless confirmed by a resolution of a simple majority of the votes cast by shareholders at the Meeting.

**The Board of Directors believes that confirmation of the Amended and Restated By-Law No. I is in the best interests of the Corporation, its Shareholders and other stakeholders and unanimously recommends that the Amended and Restated By-Law No. I be confirmed. Unless otherwise instructed, the persons named in the enclosed form of proxy intend to vote FOR the following resolution. The Board encourages shareholders to read the full text of the Amended and Restated By-Law No. I before voting on this resolution.**

**“BE IT RESOLVED THAT:**

- a) the Amended and Restated By-Law No. I of the Corporation, in the form attached as Schedule B to the Management Information Circular is confirmed; and**
- b) any one or more directors or officers of the Corporation are hereby authorized, for and on behalf of the Corporation, to take, or cause to be taken, any and all such acts and things and to execute and deliver, under the corporate seal of the Corporation or otherwise, all such deeds, instruments, notices, consents, acknowledgments, certificates, assurances and other documents (including any documents required under applicable laws or regulatory policies) as any such director or officer in his or her sole discretion may determine to be necessary or desirable to give effect to the foregoing resolution, such determination to be conclusively evidenced by the taking of any such action or such director’s or officer’s execution and delivery of any such deed, instrument, notice, consent, acknowledgement, certificate, assurance or other document.”**

To be effective, the resolution must be passed by a simple majority of the votes cast thereon by the Shareholders present in person or by proxy at the Meeting.

#### **4. OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

Management of the Corporation knows of no matters to come before the Meeting other than as set forth in the Notice of Meeting. HOWEVER, IF OTHER MATTERS WHICH ARE NOT KNOWN TO MANAGEMENT OF THE CORPORATION SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.

#### **COMPENSATION DISCUSSION AND ANALYSIS**

The purpose of this Compensation Discussion and Analysis is to provide information about the Corporation’s executive compensation objectives and processes and to discuss compensation relating to Named Executive Officers (as defined under Form 51-102F6). For the fiscal year ended August 31, 2017, the Corporation’s five Named Executive Officers included John N. Wallace (Chief Executive Officer), C. Christopher Beck (Chief Operating and Financial Officer), and the three additional Named Executive Officers Michael R. J. Falagario, Caroline Lomot and Geneva Morse.

#### **Report on Executive Compensation**

Executive compensation matters are reviewed and recommended to the Board by the Nominating/Corporate Governance/Compensation Committee (“**NCGC Committee**”), which is currently composed of Mr. Daoust (Committee Chair), Mr. Innes, Mr. King and Ms. Welsh, all of whom are “independent” Directors within the meaning of National Instrument 52-110 – *Audit Committees*. The NCGC Committee reviews and provides guidance on executive compensation and benefits plans having regard to existing total cash compensation and non-cash compensation levels and practices found in comparable external organizations and in the Corporation with respect to positions at similar levels of responsibility. The Board has responsibility for determining annual executive compensation and approving grants of Performance Stock Units (“**PSUs**”) and stock options (“**Options**”) to eligible executive officers of the Corporation, on recommendation of the NCGC Committee.

The NCGC Committee considers the implications of the risks associated with the Company’s compensation policies and practices. The NCGC Committee annually reviews the compensation plans of the Named Executive Officers (“**NEOs**”) compensation plan and the partners’ compensation plan. The NCGC Committee mitigates compensation policies and practices that could encourage an NEO to take inappropriate or excessive risks by linking compensation to both short-term financial performance as well as long-term share price appreciation.

Neither NEOs nor Directors are permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

The executive compensation program is designed to encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short and the long term, thereby enabling the Corporation to compete for and retain executives critical to the Corporation’s long term success.

The major elements of the Named Executive Officers’ compensation program are a base salary and short-term incentive annual bonus and additionally, for the Chief Executive Officer and the Chief Operating and Financial Officer, a long-term incentive plan which may include the granting of Options or other share-based awards. No other share-based awards currently exist for the NEOs.

The executive compensation program is intended to provide our executives with total compensation that is competitive with comparable North American organizations. Periodically the NCGC Committee will engage an external consultant to study the competitive market and provide recommendations on compensation. The last complete review was completed in 2013. Given the limited number of direct industry competitors, and the significant differences in the size and scope of these firms, three views of the market were used to establish competitive compensation. A sample of six direct competitors which included Heidrick & Struggles International, Inc. (Nasdaq:HSII) and Korn/Ferry International (NYSE:KFY) were reviewed to understand how compensation programs were designed within the industry. A second sample of nine North American human resource and professional service organizations with revenues comparable to us were examined to determine appropriate levels of total direct compensation. Finally, compensation levels were tested against a sample of Canadian publically listed companies with revenues of less than \$100 million to ensure compensation levels were reasonable relative to comparably sized Canadian listed companies.

## **Compensation Background**

The NCGC Committee received input from the independent compensation consultant Mercer (Canada) Limited (“**Mercer**”) with respect to the compensation structure for the Chief Executive Officer and the Chief Financial Officer. In connection with Mercer’s input, Mr. Wallace entered into an employment agreement dated February 14, 2014. Under the terms of the 2014 employment agreement, Mr. Wallace’s

base pay and short-term incentive target and calculation were set at a base salary of \$437,750 and a short-term incentive target bonus of 100% of base salary, with the actual amount being determined as to 50% on revenue metrics and 50% on normalized operating income. The 2014 Employment Agreement provided for participation in the Corporation's PSU plan described herein, with a target annual PSU grant equal to 100% of base salary. The PSU plan replaced the then existing RSU plan.

Mr. Beck is subject to an employment agreement entered into in 2013, and in connection with the compensation consultant's input in 2014, Mr. Beck's compensation was set at a base salary of \$260,000 (USD) with a 50% short-term incentive target bonus on the same attainment basis as the CEO, and he was determined eligible to participate in the PSU plan with a target annual PSU grant equal to 50% of base salary.

Compensation for the Named Executive Officers other than the CEO and CFO provides for a base salary subject to annual review and a short-term incentive target ranging from 25% to 50% of base salary. The bonus amount was determined as to 40% on revenue metrics, 40% on normalized operating income and 20% at the discretion of the CEO based on individual performance and attainment of personal objectives.

#### *Fiscal 2015 Compensation*

For the fiscal 2015 year, the NCGC Committee again consulted Mercer regarding the Chief Executive and Chief Financial Officer. Based on this consultation and the Board's assessment of the executives, the structure of the compensation plans were maintained, with Mr. Wallace's base pay adjusted to \$450,000 and Mr. Beck's base pay adjusted to \$270,000 (USD). Plan structures for the other Named Executive Officers remained unchanged, subject to annual base pay reviews and adjustments as set forth in the accompanying chart.

#### *Fiscal 2016 Compensation*

For the fiscal 2016 year, the NCGC Committee, upon further consultation with Mercer adjusted Mr. Wallace's base pay to \$475,000 and Mr. Beck's base pay to \$300,000 (USD). The general structures of the compensation plans were maintained. Regarding the other Named Executive Officers, the target bonus weighting was adjusted to be determined as to 35% on revenue metrics, 35% on normalized operating income and 30% at the discretion of the CEO based on individual performance and attainment of personal objectives.

#### *Fiscal 2017 Compensation*

Effective September 1, 2016, and in furtherance of management initiatives for profitability improvements, Mr. Wallace's base pay was voluntarily reduced by 10% to \$427,500, Mr. Beck's pay was voluntarily reduced by 5% to \$285,000 (USD) and Mr. Falagario's pay was voluntarily reduced by 5% to \$171,000. Mr. Wallace further agreed with the Company that his base pay shall not be eligible for increase until September 1, 2019. For the other Named Executive Officers, target bonus ranges were reviewed and updated from 25% to 50% of base compensation to 30% to 50% of base compensation with the same weighting adjustments. During fiscal 2017, Towers Watson Canada Inc. ("Towers Watson") was consulted with by the NCGC Committee for in discussing compensation levels and structure.

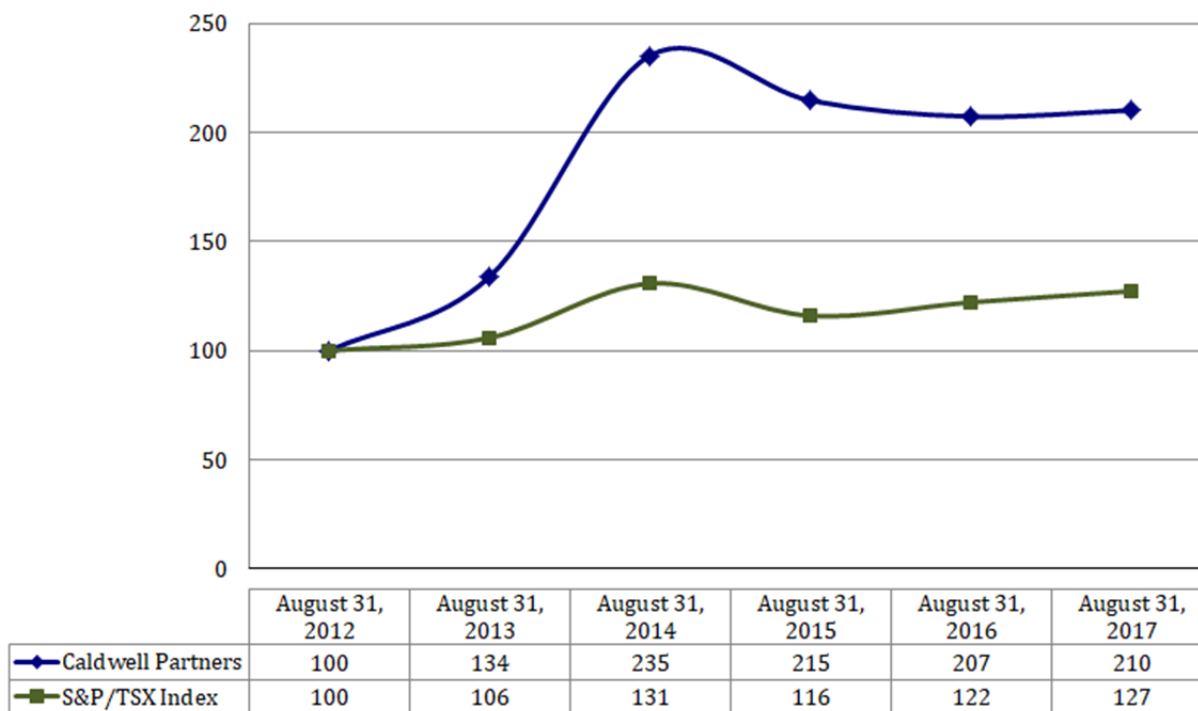
#### *Executive Compensation-Related Fees*

Mercer was engaged beginning in fiscal 2014 for the creation of PSU and DSU plans, and in benchmarking and arriving at initial and ongoing compensation of the CEO and CFO. Fees charged by Mercer were \$8,521 and \$740 for the fiscal years ending 2016 and 2015, respectively. Towers Watson Canada Inc. ("Towers Watson") was engaged by the firm for services in reviewing compensation levels and structure in setting executive compensation, however such services were billed for in the first quarter of Fiscal

2018, and as such no fees were incurred during Fiscal 2017. Neither Mercer nor Towers Watson provided other services to the company, or to its affiliated or subsidiary entities, or to any of its directors or members of management, other than, or in addition to compensation services provided for any of the Company’s Directors or executive officers.

### Shareholder Return Performance Graph

The following chart compares the yearly percentage change in the cumulative total Shareholder return on the Corporation’s Common Shares against the cumulative total Shareholder return on the S&P/TSX Composite Index (formerly, the Toronto Stock Exchange 300 Composite Index) for the five most recently completed fiscal years ending August 31, 2017<sup>(1)</sup>.



(1) Assumes that the initial value of the investment on the Toronto Stock Exchange in the Corporation’s Common Shares was \$100 on August 31, 2012 and that all dividends were reinvested.

The trend in Caldwell’s executive compensation is impacted in a similar fashion as the above share price chart, but with the fluctuation in executive compensation being generally less volatile than changes in the share price. This is due to a significant portion of the CEO’s and CFO’s target compensation (33% and 25%, respectively) tied directly to long-term share price-based incentives which generally move with the chart and a further significant portion of target compensation (33% and 25%, respectively) tied to short-term financial objectives, the continued attainment of which should support a long-term growth in share price. The remaining portion of target compensation (33% and 50%, respectively) is in the form of a base salary which is relatively constant and does not fluctuate with share price, thus smoothing the executive compensation relative to the points in time share price chart.

## Summary Compensation Table

The following table sets forth compensation of the Chief Executive Officer, Chief Financial Officer and the other Named Executive Officers of the Corporation for the fiscal year ended August 31, 2017, 2016 and 2015.

Name & Principal Position	Year	Salary	Share-Based Awards	Option-Based Awards	Non-Equity Incentive Plan Compensation		Pension Value	All Other Compensation	Total Compensation
					Annual	Long-Term			
John N. Wallace President and Chief Executive Officer	2017	\$427,500	\$427,500 <sup>(1)</sup>	-	\$507,367	-	-	(4)	\$1,362,367
	2016	\$475,000	\$475,000 <sup>(2)</sup>	-	-	-	-	-	\$950,000
	2015	\$450,000	\$450,000 <sup>(3)</sup>	-	\$578,221	-	-	-	\$1,478,221
C. Christopher Beck <sup>(5)(7)</sup> Chief Financial Officer and Corporate Secretary	2017	\$376,200	\$188,100 <sup>(1)</sup>	-	\$223,241	-	-	(4)	\$787,541
	2016	\$399,000	\$199,500 <sup>(2)</sup>	-	-	-	-	-	\$598,500
	2015	\$326,700	\$163,350 <sup>(3)</sup>	-	\$209,894	-	-	-	\$699,944
Michael R. J. Falagarjo Director, Finance, Systems and Planning	2017	\$171,000	-	-	\$96,681	-	-	(4)	\$267,681
	2016	\$180,000	-	-	\$27,000	-	-	-	\$207,000
	2015	\$180,000	-	-	\$110,515	-	-	-	\$290,515
Caroline Lomot <sup>(5)</sup> Director, Marketing	2017	\$204,600	-	-	\$69,407	-	-	(4)	\$274,007
	2016	\$206,150	-	-	\$15,461	-	-	-	\$221,611
	2015	\$181,500	-	-	\$55,718	-	-	-	\$237,218
Geneva Morse <sup>(5)(6)</sup> Director, Talent and Knowledge Management	2017	\$244,200	-	-	\$82,841	-	-	(4)	\$327,041
	2016	\$123,971	-	-	\$24,174	-	-	\$26,600 <sup>(6)</sup>	\$174,745
	2015	-	-	-	-	-	-	-	-

- (1) Amount relates to Performance Stock Units awarded during the year, valued at \$0.97 per unit (fair value at the date of grant). These Performance Stock Units cliff vest on August 31, 2019.
- (2) Amount relates to Performance Stock Units awarded during the year, valued at \$1.48 per unit (fair value at the date of grant). These Performance Stock Units cliff vest on August 31, 2018.
- (3) Amount relates to Performance Stock Units awarded during the year, valued at \$1.53 per unit (fair value at the date of grant). These Performance Stock Units cliff vest on August 31, 2017.
- (4) For the periods indicated, the named persons received annual compensation only in the form of salary, bonus and perquisites and other benefits. The value of each such officer's other compensation and benefits was less than the lesser of (i) \$50,000 and (ii) 10% of such officer's total annual salary and non-equity incentive plan annual compensation.
- (5) Mr. Beck, Ms. Lomot and Ms. Morse are based in the US and their compensation is earned and paid in US dollars. Amounts shown in the chart are in Canadian dollars, translated at the average exchange rate in effect over the course of the period base compensation was paid throughout the respective fiscal year. The exchange rates used to translate compensation amounts were 1.32 CAD/USD for Fiscal 2017, 1.33 CAD/USD for Fiscal 2016 and 1.21 CAD/USD for Fiscal 2015.
- (6) Ms. Morse joined the Corporation effective February 29, 2016. Compensation listed for Fiscal 2017 is for the period employed. In connection with Ms. Morse's employment with the Corporation, a one-time sign-on payment of \$20,000 (USD) was made to Ms. Morse.
- (7) Effective September 14, 2017, Mr. Beck was appointed Chief Operating and Financial Officer in recognition of the operational duties he performs. In connection with the appointment, Mr. Beck was granted an option to purchase up to 250,000 common shares of the Company at a price of \$1.05 per share. The option vests 50% on the first anniversary of the grant date, and the remaining 50% on the second anniversary of the grant date and has a life of five years beginning with the date of grant.

### **Share-based Incentive Plans**

The purpose of the share-based incentive plans are to attract, retain and incent executive management and key employees and align their interests with the Shareholders of the Corporation. The NCGC Committee, in conjunction with the President and Chief Executive Officer of the Corporation and any independent compensation consultants retained from time to time, periodically assess executive compensation and whether the existing plans continue to meet the needs of the Corporation having regard to the compensation principles and objectives outlined elsewhere in this Circular. Any recommendations to award share-based incentive or amend the terms of the plans are carefully considered by the NCGC Committee and, on their recommendation, are considered and, as appropriate, ultimately approved by the Board.

The Corporation has two equity incentive plans under awards may be granted:

- The Performance Share Unit Plan
- The Stock Option Plan

### **Performance Share Units (PSUs)**

During Fiscal 2015, upon review and recommendation by the NCGC Committee and the external compensation consulting firm Mercer, the Board adopted a Performance Share Unit Plan (the “**PSU Plan**”) and the existing Restricted Stock Unit Plan (the “**RSU Plan**”) was considered inactive for future grants. The PSU Plan was established as a vehicle by which equity-based incentives may be awarded to attract and retain key employees, to reward their significant contributions to the long-term success of the Corporation, to provide eligible persons with additional incentives based solely on future performance and results and to align their interests more closely with the Shareholders of the Corporation. PSUs are notional Common Shares of the Company that cliff vest three years from the date of grant and are settled only in cash. As notional shares, each PSU is adjusted to reflect dividends declared on the Common Shares. The future amount to be paid at vesting is dependent on the share price at the vesting date and is multiplied by a performance factor ranging between 50% and 150% based on the Company’s actual revenue and net operating profit performance compared to targets set by the Board each year over the cumulative three-year service period of each respective grant.

Grants of PSUs (and Options as discussed below) are made by the Board, on the recommendation of the NCGC Committee, based on the level of compensation deemed necessary to provide sufficient retention, alignment with Shareholder interests and future services to be provided by the participant. The PSU Plan may be amended or terminated at any time by the Board, except with respect to any PSU rights that have already accrued under the PSU Plan prior to the date of amendment or termination, as applicable.

### **Stock Option Plan**

The Corporation has a stock option plan as adopted October 13, 1994 and as amended July 20, 2000 (the “**Stock Option Plan**”), pursuant to which the Board may, from time-to-time, in its discretion, grant Options to any Director, officer, employee or consultant of the Corporation or its subsidiaries.

The aggregate number of shares that may be issued under the Plan is stated to be 2,470,000 shares. As of the date of this Circular, 1,564,400 Options have been issued and exercised, and 350,000 have been issued and remain outstanding, representing 1.7% of the Corporation’s outstanding Common Shares on a non-diluted basis. All Options currently outstanding as of the date of this Circular vested rateably over two years and have the maximum contractual life of five years. The Options have a strike price equal to the market value of the Common Shares on the date of issuance. The Options are to be settled with the

issuance of new shares upon the grantee providing cash in the amount of the strike price multiplied by the number of options being exercised.

### Outstanding share-based awards and option-based awards

The following table sets forth all share-based compensation awards outstanding for the Named Executive Officers on August 31, 2017:

Name	Option-based Awards				Share-based Awards				
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date <sup>(1)(6)</sup>	Value of unexercised in-the-money options (\$)	Type of Award	Vesting Date	Number of shares or units of shares that have not vested (#) <sup>(5)</sup>	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 (\$)
John N. Wallace	-	-	-	-	PSU <sup>(2)</sup>	August 31, 2019	457,356	\$552,706	-
					PSU <sup>(3)</sup>	August 31, 2018	356,169	\$350,784	-
					PSU <sup>(4)</sup>	August 31, 2017	-	-	\$385,951
C. Christopher Beck	100,000	\$1.02	April 11, 2018	\$4,000	PSU <sup>(2)</sup>	August 31, 2019	204,347	\$246,949	-
					PSU <sup>(3)</sup>	August 31, 2018	151,175	\$148,889	-
					PSU <sup>(4)</sup>	August 31, 2017	-	-	\$131,502

- (1) Options were granted on April 11, 2013 with a term of five years with 50% vesting on the first anniversary of the grant date, and the remaining 50% on the second anniversary of the grant date. Options expire earlier if the executive ceases to be an employee. The in-the-money value was calculated using a share value of \$1.06, the August 31, 2017 closing share price of the Corporation's shares on the TSX.
- (2) Issued effective December 15, 2016 at a fair value at date of grant of \$0.97 per PSU. The market value at August 31, 2017 in the chart is based on the fair market value under the PSU Plan of \$1.04 (representing the ten day average share price leading up to August 31, 2017) and a performance adjustment of 116.2% achievement to target based on performance during the first year of the vesting period.
- (3) Issued effective December 16, 2015 at a fair value at date of grant of \$1.48 per PSU. The market value at August 31, 2017 in the chart is based on the fair market value under the PSU Plan of \$1.04 (representing the ten day average share price leading up to August 31, 2017) and a performance adjustment of 94.7% achievement to target based on performance during the first year of the vesting period.
- (4) Issued effective December 22, 2014 at a fair value at date of grant of \$1.53 per PSU. The market value at August 31, 2017 in the chart is based on the fair market value under the PSU Plan of \$1.04 (representing the ten day average share price leading up to August 31, 2017) and a performance adjustment of 107.4% achievement to target based on performance during the first two years of the vesting period.
- (5) The number of outstanding units includes adjustments made for dividends declared.
- (6) Effective September 14, 2017, Mr. Beck was appointed Chief Operating and Financial Officer in recognition of the operational duties he performs. In connection with the appointment, Mr. Beck was granted an option to purchase up to 250,000 common shares of the Company at a price of \$1.05 per share. The option vests 50% on the first anniversary of the grant date, and the remaining 50% on the second anniversary of the grant date and has a life of five years beginning with the date of grant. This award is not reflected in the chart as it occurred after August 31, 2017.



## Incentive Plan Awards

The following table describes the value of all incentive plan pay-outs that were vested or earned during Fiscal 2017 by the Named Executive Officers:

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 <sup>(2)</sup> \$
John N. Wallace	-	\$385,951 <sup>(1)</sup>	\$507,367
C. Christopher Beck	-	\$131,502 <sup>(1)</sup>	\$223,241
Michael R.J. Falagario	-	-	\$96,681
Caroline Lomot	-	-	\$69,407
Geneva Morse	-	-	\$82,841

(1) Amounts pertain to the valuation of PSU grants from Fiscal 2014 that vested during Fiscal 2017 and were paid by December 31, 2017. The final settlement amounts were based on the ten day average share price subsequent to the public release of the Company's Fiscal 2017 financial results and as adjusted for dividends which resulted in actual payments to Mr. Wallace and Mr. Beck of \$412,225 and \$ 140,454, respectively in accordance with the PSU plan.

(2) Short term incentive plan amounts earned during Fiscal 2017 were paid during the first quarter of Fiscal 2018.

## Termination and Change of Control Benefits

Mr. Wallace's employment agreement, as amended, includes certain restrictive covenants including one year non-competition and two year non-solicitation of employees or clients. His agreement provides that if he is terminated without just cause or leaves with good reason, both situations as defined in the agreement, then Mr. Wallace shall be paid i) his annual short-term incentive bonus calculated pro-rata through the date of separation plus ii) an amount equal to 24 months' compensation comprised of base salary plus short-term bonus at target achievement, paid on a lump sum basis. A change in control of the company does not automatically trigger severance provisions, provided that Mr. Wallace may resign and trigger the above payments if there is a diminution of title, duties, authority, reporting relationship, pay, or other matters providing Mr. Wallace contractual good reason for resignation.

Mr. Beck's employment agreement also sets forth certain restrictive covenants including a one year non-solicitation of employees or clients. If Mr. Beck is terminated without cause, he shall be entitled to an amount equal to the sum of 18 months' pay. The payment will be based upon the average of his last two years of base salary, plus the average bonus over the last two years, with such average bonus being calculated as the average of the lesser of target bonus or actual bonus under the Company's short-term bonus plan, for each year in the two year period. Such aggregate amount will be paid out over eighteen 18 months.

In the event of Mr. Wallace's or Mr. Beck's separation from the Company prior to September 1, 2019 and without Cause as defined in their respective employment agreements, any severance amounts due shall be based on their 2016 base salaries prior to voluntary salary reductions discussed above.

Regarding PSU grants for Mr. Wallace and Mr. Beck, in the event of a termination without cause or resignation with good reason as defined in the PSU plan, outstanding unvested PSU grants shall be vested and accelerated pro-rata from issuance date to the date of separation. In the event of a change in control that does not result in a termination or resignation for good cause, and the executive remains employed, the PSUs shall continue to vest in accordance with the normal vesting schedule of the PSU plan but shall have their value set as of the effective date of the change of control using the change of control price as the fair market value. If the PSU holder is subsequently terminated without cause or resigns for good reason within one year following the effective date of the change of control, the vesting of such PSUs shall be accelerated to the date of such termination or resignation and shall be settled as soon as practicable following on such date of termination or resignation in accordance with the plan.

Restrictive covenants agreed to with the other Named Executive Officers include a one year non-solicitation of employees or clients.

### **Compensation of Directors**

The NCGC Committee reviews the amount and the form of Director compensation. Recommendations to the Board for changes take into consideration the time commitment, risks and responsibilities of Directors. The Committee also reviews the Board compensation at peer companies.

During the fiscal year 2013, the Board engaged the independent compensation consulting firm Mercer to review the compensation of the Board. Based on this analysis, effective with the fiscal year 2014 the Board compensation structure was changed from a retainer and per meeting fee, paid as all cash compensation, to a fixed fee annual retainer paid in a combination of cash and deferred share units. The Committee believes these changes will further align the Directors' interests with the interests of Shareholders by linking a portion of annual Director compensation to the future value of the Shares.

To deliver the share-based compensation component, on recommendation by the NCGC Committee and independent review and analysis by Mercer, the Board adopted a Deferred Share Unit Plan ("**DSU Plan**"). DSUs are notional Common Shares of the Company that vest immediately upon the date of grant and are settled in cash at the time the respective Director ceases to be a member of the Board. Each DSU has an initial value equal to the market value of one common share of the Corporation at the time the DSU is credited to the Director. The value of a DSU when redeemed for cash is equivalent to the market value of a common share of the Corporation at the time of redemption. DSUs are adjusted for dividends in the form of additional DSUs at the same rate as dividends are declared and paid on Common Shares. A Director cannot redeem the DSUs until he or she ceases to be a member of the Board, at which point the DSUs shall be valued as of such date and paid to the Director in cash within 20 business days. The Board has the right, in its sole discretion, to amend, suspend or terminate the DSU Plan or any portion thereof at any time, provided, however, that: (i) such amendment, suspension or termination is subject to any regulatory or Board approval and in accordance with applicable laws; (ii) such amendment, suspension or termination does not materially adversely affect any of the rights already accrued under the Plan by a Director without the consent of such Director and does not accelerate payment of the benefits under the Plan.

Effective for Fiscal 2017 and in support of management initiatives for profitability improvement, each of the members of the Board of Directors voluntarily reduced their total annual compensation by 10%.

Under this structure, the Chairman received total annual compensation of \$49,500 and each of the other independent, non-employee Board members received total annual compensation of \$36,000 earned in their local currency. Such amounts shall be paid on a quarterly basis 50 percent in cash and 50 percent in the form of DSUs which shall track the performance of the Common Shares over time. The number of DSUs granted shall be calculated based on the cash value of the award divided by the fair market value of the common stock of the Corporation at the date of grant. Additionally, the Chair of the Audit Committee shall receive an additional cash retainer of \$4,500.

The following table sets forth compensation of the Directors of the Corporation for the fiscal year ended August 31, 2017:

Name	Fees earned <sup>(2)</sup>	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Pension value	All other compensation	Total (\$)
Paul R. Daoust <sup>(1)</sup>	\$23,760	\$ 23,760	\$ -	\$ -	\$ -	\$ -	\$47,520
Richard D. Innes	\$18,000	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$36,000
G. Edmund King	\$24,750	\$ 24,750	\$ -	\$ -	\$ -	\$ -	\$49,500
Kathryn A. Welsh	\$22,500	\$ 18,000	\$ -	\$ -	\$ -	\$ -	\$40,500

- (1) Mr. Daoust's cash fee compensation is earned and paid in US dollars. Amounts shown in the chart are Canadian dollars, translated at 1.32 CAD/USD representing the average exchange rate in effect over the course of the period base compensation was paid throughout the fiscal year.

The following table sets forth all share-based compensation awards outstanding for the Directors on August 31, 2017:

Name	Number of unvested outstanding DSUs <sup>(1)</sup>	Number of vested outstanding DSUs <sup>(1)</sup>	Market or payout value of share-based awards that have not vested <sup>(2)</sup>
Paul R. Daoust	-	79,256	\$82,426
Richard D. Innes	-	66,763	\$69,434
G. Edmund King	-	91,799	\$95,471
Kathryn A. Welsh	-	66,763	\$69,434

- (1) DSUs vest upon grant, but may not be exercised until the respective individual is no longer a Director of the Company. The number of outstanding vested DSUs reflects the cumulative underlying number of notional shares as of the end of the most recent fiscal year. Such amounts include adjustment for dividends declared and paid on the Common Shares of the Corporation.
- (2) The market value at August 31, 2017 in the chart is based on the fair market value under the DSU Plan at that date of \$1.04.

### Indebtedness of Directors, Executive Officers and Senior Officers

During Fiscal 2017, none of the Corporation's Directors and executive officers was indebted to the Corporation or any of its subsidiaries, and no indebtedness of any Director or executive officer was guaranteed or otherwise supported by the Corporation or any of its subsidiaries.

## **Interest of Management and Others in Material Transactions**

Except as set forth below, none of the Corporation's Directors, executive officers or principal Shareholders, nor any of their respective associates or affiliates, had a direct or indirect material interest in any transaction or proposed transaction within the three most recently completed financial years or during the current financial year which has materially affected or will materially affect the Corporation.

Pursuant to its lease agreements, the Corporation paid rent for its Toronto office to an affiliated company owned by a Shareholder, C. Douglas Caldwell, registered as owning more than ten percent of the Corporation in the amount of \$223,461 for the fiscal year ended August 31, 2017 (2016: \$223,461; 2015: \$223,461). The amount of consideration agreed to by the parties was determined to be fair market rental rates at the inception of the lease by an independent commercial real estate counselor and was approved by the independent members of the Board.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

### **Corporate Philosophy**

The objective of good governance is to enhance value for all Shareholders over the long term. At The Caldwell Partners, we believe that in order to achieve this goal, we must balance client and Shareholder needs. We are in the business of producing superior executive search services for our clients – without them, we have no business, and thus can confer no value to our Shareholders. We also depend on our partners and professional staff to deliver to our clients; then the Shareholders and other stakeholders benefit in the long-run. Our approach to the issues of governance flows out of the characteristics of our business and our Corporation. The Caldwell Partners' business is focused: we find first-rate candidates for our clients. Our success depends on the judgment of our partners and professional staff. We believe that the atmosphere within which they work directly affects their judgment. To attract and retain exceptional talent, we must provide a professional environment – one that is creative, supportive, and fair and which recognizes achievement.

### **Corporate Governance Highlights**

The Board of Directors consists of 5 Directors, four of whom (Messrs. Daoust, King, Innes and Ms. Welsh) are "independent" Directors within the meaning of National Instrument 52-110 – *Audit Committees*. On March 23, 2010, the Board of Directors appointed Mr. King as its non-executive Chair who serves in this role on a part-time basis. Mr. Wallace is not independent, owing to him being an officer of the Corporation. Accordingly, a majority of the Directors are currently independent. The independent Directors hold in-camera sessions at each quarterly-scheduled board meeting and special meetings of the independent Directors are also held as deemed necessary, but not on a scheduled basis. Additionally, the Director who is also a member of management has been excused from portions of meetings, at which open and candid discussion among independent Directors has taken place.

With respect to the election of Directors, the Board has adopted a majority voting policy under which each nominee that stands for election should be elected by the vote of a majority of the Common Shares represented in person or proxy at any meeting for the election of Directors. If any nominee for election as Director receives, from the Common Shares voted at the meeting in person or by proxy, a greater number of votes "withheld" than votes "for" his or her election, the Director will be expected to promptly tender his or her resignation to the Chair of the Board following the meeting, to take effect upon acceptance by the Board. The NCGC Committee will expeditiously consider the Director's offer to resign and make a recommendation to the Board whether to accept that offer. If each member of the NCGC Committee

received a majority withheld vote at the same Shareholder meeting, then the Directors who did not receive a majority withheld vote will appoint a committee amongst themselves to consider the resignations. Within 90 days of the meeting of Shareholders, the Board will make a final decision concerning the acceptance of the Director's resignation. Any Director who tenders his or her resignation will not participate in the deliberations of the Board or any of its committees pertaining to the resignation.

This process applies only in circumstances involving an "uncontested" election of Directors – where the number of Director nominees does not exceed the number of Directors to be elected. Subject to any restrictions in the constating documents of the Corporation, or under applicable law, where the Board accepts the offer of resignation of a Director and that Director resigns, the Board may exercise its discretion with respect to the resulting vacancy and may, without limitation, leave the resultant vacancy unfilled until the next annual meeting of Shareholders, fill the vacancy through the appointment of a new Director, or call a special meeting of Shareholders to elect a new nominee to fill the vacant position. If the Board declines to accept any such resignation the Director will continue hold to office for the remainder of his or her elected term.

Regarding term limits, as set forth in the above Director voting process, each Director serves for only a one year term, to be voted upon annually by the Shareholders. The Board does not have a limit on the number of consecutive terms for which a Director may sit.

Regarding Board members on other reporting issuer boards, the following Directors of the Corporation are directors of the reporting issuers indicated:

Name	Issuers
Paul R. Daoust	Hooper Holmes
G. Edmund King	Maple Gold Corp. Rockcliff Metals Corp. Highvista Gold Inc.
Kathryn A. Welsh	Pizza Pizza Royalty Corp.

The Board of Director's responsibilities for the stewardship of the Corporation are documented in the Board mandate which is attached to the Circular in Schedule "B." These responsibilities include, but are not limited to: adoption of a strategic planning process, identification of principal risks and implementation of risk management systems, succession planning and monitoring of senior management, development of a communications policy and integrity of internal control and management information systems. All independent Board members have full and ready access to the Corporation's Partners at all times and may engage an outside advisor at the expense of the Corporation in appropriate circumstances and subject to the approval of the Board. The Board regularly meets without management present, and has the responsibility for administering the Board's relationship to management.

Also within the responsibilities of the Board of Directors, directly and through its NCGC Committee, lies the responsibility to identify and review independent Directors, for competencies, skills and personal qualities of candidates to be considered for nomination to the Board. The objective of this review is to maintain a Board composition that provides the best mix of skills and experience to provide for the overall stewardship of the Corporation. The Corporate Governance Committee takes into account the desirability of maintaining a reasonable diversity of personal characteristics such as gender, geographic residence and origin.

The Board through the NCGC Committee is also responsible for Director orientation and education. The NCGC Committee oversees an orientation and education program for new directors and ongoing educational opportunities for all directors. The new director orientation includes information about the Company and its operations and the structure of the Board and its committees. Each new director meets one-on-one with senior management of the Company's operational and administrative areas to enable the director to learn about the various processes and operations of the Corporation. Through these meetings, new directors also gain an appreciation of the skills and competence of the management team. Prior to nomination, candidates for nomination are provided with an explanation of the workload and time commitment required. The full Board is given presentations and reports from the Corporation's operating units and administrative areas on a recurring basis. Special presentations to the Board and to its committees are also made, as appropriate, regarding changes and proposed changes in laws and regulations or other issues relevant to the Corporation or the industry in which it operates. The directors also receive educational presentations throughout the year from management concerning the Company's business, the industry and its operations.

In response to the capital markets' desire for more clarity and information, the Board of Directors has adopted a policy regarding diversity including gender diversity which is set out below. However, all Directors must possess the highest personal and professional ethics, integrity and values and be committed to representing the long-term interests of the Shareholders. They must also have an inquisitive and objective perspective, practical wisdom and mature judgment. Each Director should also have outstanding ability in his or her individual fields of expertise and be able to devote necessary time to Board matters. Currently, there is one woman Director on the Board, representing 20% of the number of Directors. Currently two of the five Named Executive Officers are women, representing 40% gender diversity within the Named Executive Officers.

**Diversity Policy:** The Board strongly supports the principle of boardroom and executive officer diversity, of which gender is one important aspect. The Board's aim is to have a broad range of approaches, backgrounds, skills and experience represented on the Board and within the executive officers and to make appointments based on merit above other criteria. Board and committee members and executive officers engaged in nominations and hiring are to conduct searches for potential nominees and hires so as to put forward a diverse range of candidates, including women candidates. The Board has not set specific targets as to the number of women Board members and executive officers it will maintain given the relatively small number of Directors and executive officers it currently has, the infrequent turnover of Directors and officers and the Board's philosophy that first and foremost, it should seek the most qualified Directors and officers.

The Board has, together with the Chief Executive Officer, developed a detailed position description for the Chief Executive Officer, as well as specific objectives which the Chief Executive Officer is responsible for meeting. Among other things, the Chief Executive Officer is responsible for developing and recommending to the Board business plans and budgets that support the Corporation's long-term strategy. Those strategies are developed by the senior management team for discussion and approval by the Board.

The Board of Directors has also developed detailed lists of mandates for the NCGC Committee, the Audit Committee and the Investment Committee and the Directors forming part of such committees.

The Nominating/Corporate Governance/Compensation Committee, all of the members of which are independent, has a mandate which includes:

## Nominating/Corporate Governance:

- a) Reviewing annually the mandates of the Board and ensuring that each committee of the Board annually reviews and recommends to the Board such amendments to its mandate as it believes are necessary or desirable;
- b) Preparing and recommending to the Board annually a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the Toronto Stock Exchange and any other regulatory authority;
- c) To make recommendations to the Board as to which directors should be classified as "independent" directors, "related" directors or "unrelated" directors pursuant to any such report or circular;
- d) Reviewing on a periodic basis the composition of the Board and ensuring that an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs.
- e) Assessing, at least annually, the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board;
- f) Recommending suitable candidates for nominees for election or appointment as directors, and recommending the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors;
- g) As required, developing, for approval by the Board, an orientation and education program for new recruits to the Board;
- h) Acting as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
- i) Developing and recommending to the Board for approval and periodically reviewing structures and procedures designed to ensure that the Board can function effectively and independently of management;
- j) Reviewing succession plan, including making recommendations to the board of directors regarding appointments of corporate officers and senior management;
- k) Reviewing annually the Committee's Mandate and Terms of Reference
- l) Reviewing and considering the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director;
- m) Establishing, reviewing and updating periodically a Code of Business Conduct and Ethics (the "Code") and ensuring that management has established a system to monitor compliance with this code; and
- n) Establishing, reviewing and updating periodically a Whistleblower Policy and ensuring that management has established a system to monitor compliance with this code; and

o) Reviewing management's monitoring of the Corporation's compliance with the organization's Code.

Compensation:

a) To review the compensation philosophy and remuneration policy for employees of the Corporation and recommend to the Board changes to improve the Corporation's ability to recruit, retain and motivate employees;

b) To review and recommend to the Board cash and/or share-based compensation to be paid to members of the Board;

c) To receive annually from the Chief Executive Officer of the Corporation the Chief Executive Officer's evaluation of the performance of each senior officer who reports to the Chief Executive Officer of the Corporation;

d) To review and recommend annually to the Board performance objectives and the compensation package for the Chief Executive Officer;

e) To recommend to the Board, on the recommendation of the Chief Executive Officer, the annual compensation and benefits package for senior management positions within the Corporation, including long term incentive plans as appropriate;

f) To review management's recommendations for proposed stock option, restricted stock unit, performance share unit or such other share purchase plans and make recommendations in respect thereof to the Board;

g) To determine and recommend for approval of the Board any bonuses to be paid to officers of the Corporation and to establish at the start of the year targets or criteria for the payment of such bonuses, if appropriate; and

h) To approve and submit the Nominating/Corporate Governance/Compensation Committee's report for inclusion in the Annual Information Form and proxy statement, including the Compensation Committee Report required to be therein.

The Audit Committee, all of the members of which are independent, has a mandate (set forth in full in the Company's Annual Information Form filed on SEDAR) which includes, but is not limited to:

a) Assisting the Board by reviewing the adequacy and effectiveness of financial and reporting processes including:

- (i) Systems of internal and financial controls;
- (ii) selection of accounting policies and principles;
- (iii) preparation and audit of financial reports;
- (iv) review of financial risk management functions; and
- (v) monitoring of certain other financial matters.

b) Overseeing and monitoring the appointment, independence and performance of the internal and external auditors. The Audit Committee has implemented the Canadian Public Accountability Board recommended guidelines for the oversight of external auditors, including the implementation of a structured annual assessment process and a periodic comprehensive review.



- c) Establishing and monitoring procedures for handling concerns and complaints related to financial matters.
- d) Approving, on behalf of the Board, certain financial and other matters as delegated by the Board.
- e) Reviewing and making recommendations for approval of annual financial statements, management's discussion and analysis of the financial condition of the Corporation and the results of its operations for release to Shareholders.
- f) Reviewing and approving for recommendation to the Board for approval the interim financial statements, management's discussion and analysis of the financial condition of the Corporation and the results of its operations for release to Shareholders.
- g) Conducting independent investigations into matters that may come under its scope of responsibilities.

The Investment Committee, comprising a majority of independent Directors, has a mandate which includes, but is not limited to:

- a) Approving appropriate investment policies from time to time for recommendation to the Board;
- b) Approving the Corporation's investment asset classes and mix and related strategies for such classes for recommendation to the Board;
- c) Approving procedures to ensure investments are aligned with approved investment policy and related strategies;
- d) Approving an investment mix;
- e) Approving investment risk;
- f) Approving a foreign currency hedging philosophy and plans;
- g) Approving delegations of authority and sub-delegations with respect to investment approvals and related decisions;
- h) Appointing investment managers, if any, of surplus funds, to approve the proportion of assets allocated to such investment managers and to review each investment manager's performance;
- i) Meeting with investment managers, in any, at least annually to discuss investments;
- j) Reviewing management reports to monitor the performance of investments and the effectiveness of the investment;
- k) Reviewing with management the Corporation's cash flow projections to ensure there is sufficient liquidity to meet business requirements.
- l) Reviewing equity holdings in client securities obtained through the performance of search engagements, and approve any extended holding period after such securities become liquid.

## **CODE OF BUSINESS AND ETHICAL CONDUCT**

The Board has adopted a written code for the Directors, Officers and employees (the “Code”). A copy of the Code is available as posted on SEDAR. A person may also obtain a copy of the code by sending an email request to [investors@caldwellpartners.com](mailto:investors@caldwellpartners.com) or by visiting the Company’s website at <http://www.caldwellpartners.com/about/investor-relations/>. The Board is ultimately responsible for the implementation and administration of this Code and monitors compliance through regular communication with their designated Compliance Officer and Assistant Compliance officer as set forth in the code. The code is reviewed for updates annually by the Board and there have been no material changes since the beginning of the most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

## **DIRECTORS’ AND OFFICERS’ LIABILITY INSURANCE**

The Corporation has purchased, at its expense, a liability insurance policy for the directors and officers of the Company and its subsidiaries. This policy covers directors and officers in circumstances including and not limited to where the Corporation is not able to or is prevented from indemnifying them, subject to the terms and conditions outlined in the policy wording. The policy has a limit of \$10,000,000 with a \$100,000 deductible if the claim is indemnifiable by The Corporation. The Corporation paid a total premium of \$24,300 for the Directors and Officers Liability Insurance in the last completed financial year.

## **TRANSFER AGENT AND REGISTRAR**

Computershare Trust Company of Canada, at its office at 100 University Avenue 8th Floor, Toronto, Ontario M5J 2Y1, is the transfer agent and registrar for the Shares.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation may be found on the System for Electronic Document Analysis and Retrieval (SEDAR) internet website at [www.sedar.com](http://www.sedar.com). Additional financial information is provided in the audited consolidated financial statements, management’s discussion and analysis and annual information return for the fiscal year ended August 31, 2017. Copies of such documents may also be obtained upon request from the Corporate Secretary of the Corporation.

**APPROVAL OF INFORMATION CIRCULAR**

The contents and sending of this Information Circular have been approved by the Directors.

A handwritten signature in black ink, appearing to read 'C. Beck', with a long horizontal flourish extending to the right.

C. Christopher Beck  
Corporate Secretary

DATED as of January 3, 2018

**THE CALDWELL PARTNERS INTERNATIONAL INC.**

**SCHEDULE A**

**MANDATE OF THE BOARD OF DIRECTORS**

The Board of Directors (the “Board”) of the Corporation is responsible for the stewardship of the Corporation and fostering its long-term success. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of the Corporation and its shareholders. In general terms, the Board will:

1. In consultation with the Chief Executive Officer of the Corporation (the “CEO”), define the principal objectives of the Corporation;
2. Supervise the management of the business and affairs of the Corporation with the goal of achieving the Corporation’s principal objectives as defined by the Board, subject to the CEO being responsible for day-to-day management of the Corporation;
3. Discharge the duties imposed on the Board by applicable laws; and
4. For the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will perform the following duties:

**Strategic Direction, Operating, Capital and Financial Plans**

1. Require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for the Corporation’s business, which plans must:
  - (a) Be designed to achieve the Corporation’s principal business objectives;
  - (b) Identify the principal strategic and operational opportunities and risks of the Corporation’s business; and
  - (c) Be approved by the Board as a pre-condition to the implementation of such plans.
2. Review progress towards the achievement of the goals established in the strategic, operating and capital plans;
3. Identify the principal risks of the Corporation’s business and take all reasonable steps to ensure the implementation of the appropriate systems to manage these risks;
4. Approve the annual operating and capital plans;
5. Approve acquisitions and business combinations;
6. Approve issuances of additional common shares or other securities to the public;

7. Approve issuances of additional common shares or other securities via a private placement; and
8. Monitor the Corporation's progress towards its goals, and to revise and alter its direction through management in light of changing circumstances.

### **Management and Organization**

1. Appoint the CEO and determine the terms of the CEO's employment with the Corporation;
2. Evaluate the performance of the CEO at least annually;
3. In consultation with the CEO, establish the limits of management's authority and responsibility in conducting the Corporation's business;
4. In consultation with the CEO, appoint all officers of the Corporation and approve the terms of each officer's employment with the Corporation;
5. Approve any proposed significant change in the management organization structure of the Corporation;
6. Approve any and all retirement plans for officers and senior management of the Corporation;
7. In consultation with the CEO, establish a communications policy for the Corporation;
8. Generally provide advice and guidance to management; and
9. Be responsible for succession planning with respect to both the Board and senior management. This responsibility may be delegated to the Corporate Nominating/Corporate Governance/Compensation Committee of the Board.

### **Finances and Controls**

1. Use reasonable efforts to ensure that the Corporation maintains appropriate systems to manage the risks of the Corporation's business;
2. Review and approve compensation of CEO and CEO's corporate direct reports;
3. Monitor the appropriateness of the Corporation's capital structure;
4. Ensure that the financial performance of the Corporation is properly reported to shareholders, other security holders and regulators on a timely and regular basis;
5. Establishing, reviewing and updating periodically a Code of Business Conduct and Ethics (the "Code") and ensuring that management has established a system to monitor compliance with this code;
6. Establishing, reviewing and updating periodically a Whistleblower Policy and ensuring

that management has established a system to monitor compliance with this code;

7. Require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by the Corporation and its officers and employees;
8. Require that the CEO institute and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation;
9. Review and approve material contracts to be entered into by the Corporation;
10. Review and approve dividends for declaration;
11. Recommend to the shareholders of the Corporation a firm of chartered accountants to be appointed as the Corporate auditors and to set the annual remuneration of the chartered accountants; and
12. Take all necessary actions to gain reasonable assurance that all financial information made public by the Corporation (including the Corporation's annual and quarterly financial statements) is accurate and complete and represents fairly the Corporation's financial position and performance.

## **Governance**

1. Facilitate the continuity and effectiveness of the Board by, amongst other things,
  - (a) Selecting nominees for election to the Board;
  - (b) Appointing a Chair of the Board;
  - (c) Appointing from amongst the directors an audit committee, nominating/corporate governance/compensation committee, investment committee and such other committees of the Board as the Board deems appropriate;
  - (d) Defining the mandate of each committee of the Board;
  - (e) Ensuring that processes are in place and are utilized to assess the size of the Board, the effectiveness of the Chair of the Board, that Board as a whole, each committee of the Board and each director;
  - (f) Providing an orientation and education program to new members of the Board as deemed necessary; and
  - (g) Enabling any director to engage and outside adviser at the expense of the Corporation, subject to approval of a meeting of the independent directors.
2. Review annually the adequacy and form of the compensation of directors;
3. Approve annually a statement of corporate governance practices to be included in the Corporation's annual report or information circular as required by the Toronto Stock Exchange and any other regulatory authority;

4. Determine annually which directors should be classified as “independent” directors, “related” directors or “unrelated” directors pursuant to any such report or circular; such determinations will be governed by regulations and guidelines currently in effect when the determination is made; and
5. Hold regular, in-camera meetings of the independent directors only, without management or related directors present.

### **Delegation**

The Board may delegate its duties to and receive reports and recommendations from any committee of the Board.

### **Meetings and Administrative Matters**

1. At all meetings of the Board every motion shall be decided by a majority of the votes cast. In case of an equality of votes, the Chair of the meeting shall not be entitled to a second or casting vote.
2. The Chair shall preside at all meetings, unless the Chair is not present, in which case the members of the Board present shall designate from among the members present the Chair for purposes of the meeting.
3. A quorum for meetings of the Board shall be a majority of its members.
4. Meetings of the Board should be scheduled to take place at least four times per year and at such other times as the Chair may determine.
5. Agendas, approved by the Chair, shall be circulated to Board members along with background information on a timely basis prior to the Board meetings.
6. The Board may invite such officers, directors and employees of Caldwell as it may see fit from time to time to attend at meetings of the Board and assist thereat in the discussion and consideration of the matters being considered.
7. Minutes of the Board will be recorded and maintained and circulated to all directors prior to the next meeting of the Board.
8. The Board may retain, at the expense of the Corporation, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities.
9. Ensure that the independent directors meet regularly, and in no case less frequently than quarterly, without non-independent directors or management present.

**THE CALDWELL PARTNERS INTERNATIONAL INC.**

**SCHEDULE B**

**AMENDED AND RESTATED BY-LAW NO. 1  
(blacklined to BY-LAW NO. 1)**

For ease of reference, the proposed changes to the by-laws are shown as marked changes on the following document.

[Remainder of this page intentionally blank]



## THE CALDWELL PARTNERS INTERNATIONAL INC.

### AMENDED AND RESTATED BY-LAW NO. I

A by-law relating generally to the conduct of the affairs of THE CALDWELL PARTNERS INTERNATIONAL INC.

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of THE CALDWELL PARTNERS INTERNATIONAL INC. (hereinafter called the "Corporation") as follows:

#### DEFINITIONS

1. In this by-law and all other by-laws of the Corporation, unless the context otherwise specifies or requires:
  - (a) "Act" means the *Business Corporations Act*, (Ontario), as from time to time amended, and every statute that may be substituted therefor and, in the case of such amendment or substitution, any reference in the by-laws of the Corporation shall be read as referring to the amended or substituted provisions ~~therefor~~therefore;
  - (a) "articles" means the Articles of Incorporation of the Corporation as from time to time amended or restated;
  - (a) ~~"by-laws" means any by-law of the Corporation~~"Associate" has the meaning given in National Instrument 45-106 - Prospectus Exemptions, as may be amended from time to time ~~in force and effect~~;
  - (b) "Corporation" means The Caldwell Partners International Inc.;
  - (c) "public announcement" means disclosure in a press release disseminated by the Corporation through a national news service in Canada, or in a document filed by the Corporation for public access under its profile on the System of Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).
  - (d) ~~(e)~~ all terms contained in the by-laws which are defined in the Act shall have the meanings given to such terms in the Act;
  - (e) ~~(d)~~ words importing the singular number only shall include the plural and vice-versa; words importing the masculine gender shall include the feminine and neuter genders; and
  - (f) ~~(e)~~ the 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.

## REGISTERED OFFICE

2. The Corporation may from time to time (i) by resolution of the directors change the address of the registered office of the Corporation within the municipality or geographic township within Ontario specified in its articles, and (ii) by ~~an amendment to its articles~~ a special resolution of the shareholders, change the municipality or geographic township within Ontario in which its registered office is situated.

## SEAL

3. The Corporation may, but need not, ~~have~~ adopt a corporate seal, and if one is adopted, it may be changed from time to time by the board. An instrument or agreement executed on behalf of the Corporation by a director, an officer or an agent of the Corporation is not invalid merely because the corporate seal, if any, is not affixed thereto.

## DIRECTORS

4. Number and powers. The number of directors of the Corporation shall be such number as shall be determined from time to time by the directors, subject to such minimum and maximum number of directors as is set out in the articles of the Corporation. Notwithstanding the foregoing, if the Corporation is an "offering corporation" as defined in paragraph 1(1) of the Act, there shall be a minimum of three directors. Not less than 25% of the directors shall be resident Canadians. Subject to any unanimous shareholder agreement, the directors shall manage or supervise the management of the business and affairs of the Corporation and may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not by the Act, the articles, the by-laws, any special resolution of the Corporation, a unanimous shareholder agreement or by statute expressly directed or required to be done in some other manner.

Notwithstanding any vacancy among the directors the remaining directors may exercise all the powers of the board so long as a quorum of the board remains in office.

Subject to the Act and to the Corporation's articles, where there is a quorum of directors in office and a vacancy occurs, the directors remaining in office may appoint a qualified person to hold office for the unexpired term of his predecessor.

5. Duties. Every director and officer of the Corporation in exercising his powers and discharging his duties shall:
  - (a) act honestly and in good faith with a view to the best interests of the Corporation; and

- (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Every director and officer of the Corporation shall comply with the Act, the regulations thereunder, the Corporation's articles and by-laws and any unanimous shareholder agreement.

6. Qualification. Every director shall be an individual eighteen (18) or more years of age and no one who is of unsound mind and has been so found by a court in Canada or elsewhere or who has the status of a bankrupt shall be a director.
7. Term of office. A director's term of office (subject to the provisions, if any, of the Corporation's articles, and subject to his election for an expressly stated term) shall be from the date of the meeting at which he is elected or appointed until the close of the annual meeting of shareholders next following his election or appointment or until his successor is elected or appointed.
8. Vacation of office. The office of a director shall be vacated if:
  - (a) the person dies or, subject to the Act, sends to the Corporation a written resignation and such resignation, if not effective upon receipt by the Corporation, becomes effective in accordance with its terms;
  - (b) the person is removed from office [in accordance with the Act](#);
  - (c) the person has the status of bankrupt; or
  - (d) the person has been found under the *Substitute Decisions Act* or under the *Mental Health Act* to be incapable of managing property or has been found to be incapable by a court in Canada or elsewhere.
9. Election and removal. Directors shall be elected by the shareholders by ordinary resolution on a show of hands unless a poll is demanded and if a poll is demanded such election shall be by ballot. Except for those directors elected for an expressly stated term, all the directors then in office shall cease to hold office at the close of the meeting of shareholders at which directors are to be elected but, if qualified, are eligible for re-election. Subject to subsection 122(2) of the Act, the shareholders of the Corporation may by ordinary resolution at an annual or special meeting remove any director before the expiration of his term of office and may, by a majority of the votes cast at the meeting, elect any person in his stead for the remainder of his term [in accordance with Paragraph 11.](#)

Whenever at any election of directors of the Corporation the number or the minimum number of directors required by the articles [or herein](#) is not elected by reason of the disqualification, incapacity or the death of any candidates, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum pending the holding of a meeting of shareholders in accordance with subsection 124(3) of the Act.

A retiring director shall cease to hold office at the close of the meeting at which his successor is elected unless such meeting was called for the purpose of removing him from office as a director in which case the director so removed shall vacate office forthwith upon the passing of the resolution for his removal.

10. Validity of acts. An act done by a director or by an officer is not invalid by reason only of any defect that is thereafter discovered in his appointment, election or qualification.

11. Advance Notice of a Director Nominee. Only persons who are nominated in accordance with the procedures set out in this Paragraph 11 shall be eligible for election as of the Corporation.

(a) Nominations of persons for election to the board may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose which includes the election of directors to the board, as follows:

(i) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting (provided that any such proposed nominee provides to the Corporation a duly completed personal information form in respect of the proposed nominee in the form prescribed from time to time by the principal stock exchange on which the securities of the Corporation are then listed for trading);

(ii) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of shareholders made in accordance with the provisions of the Act; or

(iii) by any person (a "Nominating Shareholder"), who: (A) is, at the close of business on the date of giving notice provided for in Paragraph 11(c) below and on the record date for notice of such meeting, either entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) has given timely notice in proper written form as set forth in this Paragraph 11;

(b) For the avoidance of doubt, the foregoing Paragraph 11(a) shall be the exclusive means for any person to bring nominations for election to the board at or in connection with any annual or special meeting of shareholders of the Corporation.

(c) For a nomination made by a Nominating Shareholder to be timely notice (a "Timely Notice"), the Nominating Shareholder's notice must be in written form prepared in accordance with Paragraph 11(d) and received

by the Secretary of the Corporation at the principal executive offices of the Corporation;

(i) in the case of an annual meeting of shareholders, not later than the close of business on the 30th day before the date of the meeting; provided, however, if the first public announcement made by the Corporation of the date of the annual meeting is less than 50 days prior to the meeting date (the "**Notice Date**"), not later than the close of business on the 10th day following the Notice Date; and

(ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting is made by the Corporation.

(d) To be in proper written form, a Nominating Shareholder's notice to the Secretary must comply with this Paragraph 11 and:

(i) disclose or include, as applicable, as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**):

(A) their name, age, business and residential address, principal occupation or employment for the past five years, and status as a "resident Canadian" (as such term is defined in the Act);

(B) their direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;

(C) any relationships, agreements, arrangements or understandings, including financial, compensation and indemnity related relationships, agreements, arrangements or understandings, between the Proposed Nominee or any affiliates or Associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee and the Nominating Shareholder;

(D) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or applicable securities laws;

- (E) a duly completed personal information form in respect of the Proposed Nominee in the form prescribed from time to time by the principal stock exchange on which the securities of the Corporation are then listed for trading; and
  - (F) a statement as to whether the Proposed Nominee would be an "independent" director (within the meaning of sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected and the reasons and basis for such determination; and
- (ii) disclose or include, as applicable, as to each Nominating Shareholder giving the notice and each beneficial owner, if any, on whose behalf the nomination is made:
- (A) their name, business and residential address;
  - (B) any direct or indirect beneficial ownership in, or control or direction over, any class or series of securities of the Corporation, including the number or principal amount and the date(s) on which such securities were acquired;
  - (C) any relationships, agreements, arrangements or understandings, including financial, compensation and indemnity related relationships, agreements, arrangements or understandings, between the Nominating Shareholder or any affiliates or Associates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee;
  - (D) any proxy, contract, arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or Associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of directors to the board;
  - (E) their interests in, or rights or obligations associated with, an agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Corporation or the person's economic exposure to the Corporation;
  - (F) any direct or indirect interest of such person in any contract with the Corporation or with any of the Corporation's affiliates or principal competitors;

- (G) a representation and proof that the Nominating Shareholder is a holder of record of securities of the Corporation, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination;
  - (H) a representation as to whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nomination; and
  - (I) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by applicable securities laws.
- (e) All information to be provided in a Timely Notice pursuant to Paragraph 11(c) shall be provided as of the record date for determining shareholders entitled to vote at the meeting (if such date shall then have been publicly announced) and as of the date of such notice. The Nominating Shareholder shall update such information to the extent necessary so that it is true and correct as of the date that is ten (10) business days prior to the date of the meeting, or any adjournment or postponement thereof.
- (f) To be eligible to be a candidate for election as a director and to be duly nominated, a Proposed Nominee must have previously delivered to the Secretary at the registered office of the Corporation, not less than five days prior to the date of the meeting of shareholders, a written representation and agreement (in form provided by the Corporation) that the Proposed Nominee, if elected as a director, will comply with all applicable corporate governance, conflict of interest, confidentiality and insider trading policies and guidelines of the Corporation in effect during the Proposed Nominee's term in office as a director. Upon the request of a Proposed Nominee or a Nominating Shareholder, the Secretary shall provide copies of all such policies and guidelines then in effect.
- (g) Notwithstanding any other provision of this by-law, any notice, or other document or information required to be given to the Secretary pursuant to this Paragraph 11 may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Secretary for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive offices of the Corporation, email (at the address as aforesaid and provided that receipt of confirmation of such email has been

received) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Toronto time) on a day which is a business day in Toronto, Ontario, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

(h) Additional Matters

(i) Nothing in this Paragraph 11 shall obligate the Corporation or the board to include in any proxy statement or other shareholder communication distributed by or on behalf of the Corporation or board any information with respect to any proposed nomination or any Nominating Shareholder or Proposed Nominee.

(ii) The chair of any meeting of shareholders of the Corporation shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this Paragraph 11, and if any proposed nomination is not in compliance with such provisions, may declare that such defective nomination shall not be considered at any meeting of shareholders.

(iii) Despite any other provision of this by-law, if the Nominating Shareholder (or a qualified representative of the Nominating Shareholder) does not appear at the meeting of shareholders of the Corporation to present the nomination of the Proposed Nominee, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Corporation.

(iv) The board may, in its sole discretion, waive any requirement of this Paragraph 11.

MEETINGS OF DIRECTORS

12. ~~11.~~ Place of meeting. Meetings of directors and of any committee of directors may be held at any place within or outside Ontario and in any financial year a majority of the meetings of the board of directors need not be held at a place within Canada. A meeting of directors may be convened by the Chairman of the Board (if any), the President or any director at any time and the Secretary shall upon direction of any of the foregoing convene a meeting of directors. A quorum of the directors may, at any time, call a meeting of the directors for the transaction of any business the general nature of which is specified in the notice calling the meeting.

13. ~~12.~~ Notice. Notice of the time and place for the holding of any such meeting shall be sent to each director not less than 2 days (exclusive of the day on which the notice is sent but inclusive of the day for which notice is given) before the date of



the meeting; provided that meetings of the directors or of any committee of directors may be held at any time without formal notice if all the directors are present (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 is not lawfully called) or if all the absent directors have waived notice.

Notice of the time and place for the holding of any meeting of directors or any committee of directors may be given by delivery, facsimile, e-mail or other electronic means that produces a written copy.

For the first meeting of directors to be held following the election of directors at an annual or special meeting of the shareholders or for a meeting of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting need be given to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided a quorum of the directors is present.

14. ~~13.~~ Waiver of notice. Notice of any meeting of directors or of any committee of directors or any irregularity in any meeting or in the notice thereof may be waived in any manner by any director and such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at a meeting of directors is 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 is not lawfully called.
15. ~~14.~~ Remote participation. Where all the directors of the Corporation present at or participating in the meeting consent thereto (either before or after the meeting), a director may participate in a meeting of directors or of any committee of directors by means of such telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and a director participating in a meeting by such means shall be deemed for the purposes of the Act to be present at that meeting. If the majority of the directors participating in the meeting are then in Canada, the meeting shall be deemed to be held in Canada.
16. ~~15.~~ Adjournment. Any meeting of directors or of any committee of directors may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting, to a fixed time and place and no notice of the time and place for the holding of the adjourned meeting need be given to any director if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.
17. ~~16.~~ Quorum and voting. A majority of the number of directors or minimum number of directors required by the articles shall constitute a quorum for the

transaction of business. Subject to subsection 124(1) of the Act, no business shall be transacted by the directors except at a meeting of directors at which a quorum is present and at which not less than 25% of the directors present are resident Canadians. ~~Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote, except where:~~

- ~~(i) a resident Canadian director who is unable to be present approves in writing or by telephone or other communication facilities the business transacted at the meeting; and~~
- ~~(ii) 25% of resident Canadians would have been present had that director been present at the meeting.~~

~~Questions arising at any meeting of directors shall be decided by a majority of votes. In case of an equality of votes, the chairman of the meeting shall not be entitled to a second or casting vote.~~

#### COMMITTEES OF DIRECTORS

18. ~~17.~~ General. The directors may from time to time appoint from their number a committee of directors, not less than 25% of whom shall be resident Canadians, and may delegate to such committee any of the powers of the directors, except that no such committee shall have the authority to:

- ~~(a) submit to the shareholders any question or matter requiring the approval of the shareholders;~~
- ~~(b) fill a vacancy among the directors or in the office of auditor or appoint or remove any of the chief executive officer, however designated, the chief financial officer, however designated, the chairman or the president of the Corporation;~~
- ~~(c) subject to section 184 of the Act, issue securities except in the manner and on the terms authorized by the directors;~~
- ~~(d) declare dividends;~~
- ~~(e) purchase, redeem or otherwise acquire shares issued by the Corporation;~~
- ~~(f) pay a commission referred to in section 37 of the Act;~~
- ~~(g) approve a management information circular referred to in Part VIII of the Act;~~
- ~~(h) approve a take-over bid circular, directors' circular, or issuer bid circular referred to in Part XX of the Securities Act;~~
- ~~(i) approve any financial statements referred to in clause 154(1)(b) of the Act and Part XVIII of the Securities Act; or~~

~~(j) — adopt, amend or repeal by laws those which under the Act must be exercised by the board itself.~~

19. ~~18.~~ Audit Committee. If the Corporation is an "offering corporation" as defined in paragraph 1(1) of the Act, the board of directors shall, and otherwise the directors may, elect annually from among their number an audit committee to be composed of not fewer than 3 directors, none of whom are officers or employees of the Corporation or any of its affiliates to hold office until the next annual meeting of the shareholders.

Each member of the audit committee shall serve during the pleasure of the board of directors and, in any event, only so long as such person shall be a director. The directors may fill vacancies in the audit committee by election from among their number.

The audit committee shall have power to fix its quorum at not less than a majority of its members and to determine its own rules of procedure subject to any regulations imposed by the board of directors from time to time and to the following paragraph.

The auditor of the Corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the Corporation, to attend and be heard thereat; and, if so requested by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor. The auditor of the Corporation or any member of the audit committee may call a meeting of the committee.

The audit committee shall review the quarterly and annual financial statements of the Corporation and shall report thereon to the board of directors of the Corporation prior to approval thereof by the board of directors and shall have such other powers and duties as may from time to time by resolution be assigned to it by the board.

#### REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES

20. ~~19.~~ The remuneration to be paid to the directors of the Corporation shall be such as the directors shall from time to time by resolution determine. The directors may also by resolution award special remuneration to any director in undertaking any special services on the Corporation's behalf other than the normal work ordinarily required of a director of a corporation. The confirmation of any such resolution or resolutions by the shareholders shall not be required. The directors may fix the remuneration of the officers and employees of the Corporation. The directors, officers and employees shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Corporation.

SUBMISSION OF CONTRACTS OR TRANSACTIONS TO  
SHAREHOLDERS FOR APPROVAL

21. ~~20.~~ The directors in their discretion may submit any contract, act or transaction for approval, ratification or confirmation at any meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or by-laws) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified and/or confirmed by every shareholder of the Corporation.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

22. ~~21.~~ 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 receipt or act for conformity or for any loss, damage or expense suffered or incurred by 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 or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or which any moneys, securities or effects shall be lodged or deposited 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 other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office of trust or in relation thereto, unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly and in good faith with a view to the best interests of the Corporation, and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, provided that nothing herein contained shall relieve a director or officer from the duty to act in accordance with the Act or regulations made thereunder or relieve him from liability for a 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 or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the board of directors. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a body corporate which is employed by or performs services for the Corporation, the fact of his being a shareholder, director or officer of the Corporation shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

## INDEMNITIES TO DIRECTORS AND OTHERS

23. ~~22.~~ Subject to subsections 136(3) and (4) of 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 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 in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of such corporation or body corporate, if
- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
  - (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

The Corporation is hereby authorized to execute agreements evidencing its indemnity in favour of the foregoing persons to the full extent permitted by law.

## OFFICERS

24. ~~23.~~ Appointment of officers. The directors shall annually or as often as may be required appoint a President ~~and~~ a Chief Executive Officer ~~and a~~ Chief Financial Officer and Secretary, and if deemed advisable may annually or as often as may be required appoint a Chairman of the Board, one or more Vice-Presidents, a Treasurer and one or more Assistant Secretaries and/or one or more Assistant Treasurers. None of such officers, except the Chairman of the Board, need be a director of the Corporation. Any director may be appointed to any office of the Corporation. Two or more of such offices may be held by the same person and two persons may individually hold any of such combined offices. In case and whenever the same person holds the offices of Secretary and Treasurer he may but need not be known as the Secretary-Treasurer. The directors may from time to time appoint such other officers, employees and agents as they shall deem necessary who shall have such titles, authority and shall perform such functions and duties as may from time to time be prescribed by ~~resolution of the directors,~~ and such functions may, subject to the Act and applicable law, be the same or similar to the descriptions set out in Sections 27-33.
25. ~~24.~~ Removal of officers, etc. All officers, employees and agents, in the absence of agreement to the contrary, shall be subject to removal by resolution of the directors at any time, with or without cause.
26. ~~25.~~ Duties of officers may be delegated. In case of the absence or inability or refusal to act of any officer of the Corporation or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

27. ~~26.~~ Chairman of the Board. The Chairman of the Board (if any), shall when present preside at all meetings of the directors, any committee of the directors and, unless otherwise agreed by the Chairman and the ~~Beard~~board, any meeting of shareholders, shall sign such documents as may require his signature in accordance with the by-laws of the Corporation and shall have such other powers and shall perform such other duties as may from time to time be assigned to him by resolution of the directors or as are incident to his office. The Chairman of the Board may, but need not, also be the Chief Executive Officer.
28. ~~27.~~ President. The President shall exercise general supervision over the business and affairs of the Corporation. In the absence of the Chairman of the Board (if any), and if the President is also a director of the Corporation, the President shall, when present, preside at all meetings of the directors, any committee of the directors and, unless otherwise agreed by the Chairman and the ~~Beard~~board, any meeting of shareholders, he or she shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him by resolution of the directors or as are incident to his office. ~~The President may, but need not, also be the Chief Executive Officer.~~
29. ~~28.~~ Vice-President. The Vice-President or, if more than one, the Vice-Presidents in order of seniority, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that a Vice-President who is not a director shall not preside as chairman at any meeting of directors. The Vice-President or, if more than one, the Vice-Presidents in order of seniority, shall sign such contracts, documents or instruments in writing as require his, her or their signatures and shall also have such other powers and duties as may from time to time be assigned to him, her or them by resolution of the directors.
30. ~~29.~~ Secretary. The Secretary shall give or cause to be given notices for all meetings of the directors, any committee of the directors and shareholders when directed to do so and shall have charge of the minute books of the Corporation and, subject to the provisions of ~~paragraph 45~~Paragraph 50 hereof, of the documents and registers referred to in subsections 140(1) and (2) of the Act. He or she shall sign such contracts, documents or instruments in writing as require his or her signature and shall have such other powers and duties as may from time to time be assigned to him or her by resolution of the directors or as are incident to his or her office.
31. ~~30.~~ Treasurer. Subject to the provisions of any resolution of the directors, the Treasurer shall have the care and custody of all the funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks or with such other depository or depositories as the directors may by resolution direct. He or she shall prepare and maintain adequate accounting records. He or she shall sign such contracts, documents or instruments in writing as require his or her signature and shall have such other powers and duties as may from time to time be assigned to him or her by resolution of the directors or

as are incident to his or her office. He or she may be required to give such bond for the faithful performance of his or her duties as the directors in their uncontrolled discretion may require and no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

32. ~~31.~~ Assistant Secretary and Assistant Treasurer. The Assistant Secretary or, if more than one, the Assistant Secretaries in order of seniority, and the Assistant Treasurer or, if more than one, the Assistant Treasurers in order of seniority, shall perform all the duties of the Secretary and Treasurer, respectively, in the absence or inability to act of the Secretary or Treasurer as the case may be. The Assistant Secretary or Assistant Secretaries, if more than one, and the Assistant Treasurer or Assistant Treasurers, if more than one, shall sign such contracts, documents or instruments in writing as require his, her or their signatures respectively and shall have such other powers and duties as may from time to time be assigned to them by resolution of the directors.
33. ~~32.~~ Managing Director or Chief Executive Officer. The directors may from time to time appoint from their number a Managing Director or Chief Executive Officer and may delegate to the Managing Director or Chief Executive Officer any of the powers of the directors subject to the limits on authority provided by subsection 127(3) of the Act. A Managing Director or Chief Executive Officer shall conform to all lawful orders given to him or her by the directors of the Corporation and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation. Any agent or employee appointed by a Managing Director or Chief Executive Officer shall be subject to discharge by the directors.
34. ~~33.~~ Vacancies. If the office of Chairman of the Board, Chief Executive Officer, Managing Director, President, Vice-President, Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or any other office created by the directors pursuant to ~~paragraph 23~~ Paragraph 24 hereof shall be or become vacant by reason of death, resignation or in any other manner whatsoever, the directors shall in the case of the President or the Secretary and may in the case of the other officers appoint an officer to fill such vacancy.
35. Term of Office. The board, in its discretion, may remove any officer of the Corporation, without prejudice to the rights of such officer under any employment contract. Otherwise each officer of the Corporation shall hold office until his successor is elected or appointed or until his earlier resignation.
36. Agents and Attorneys. The board may appoint agents or attorneys of the Corporation within or outside Canada with such powers and duties as it may deem fit.
37. Conflict of Interest. An officer who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation shall disclose his interest in any



material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided by the Act.

## SHAREHOLDERS' MEETINGS

38. ~~34.~~ Annual or special meetings. Subject to subsection 104(1) of the Act, the directors of the Corporation,

- (a) shall call an annual meeting of shareholders not later than eighteen months after the Corporation comes into existence and subsequently not later than fifteen months after holding the last preceding annual meeting; and
- (b) may at any time call a special meeting of shareholders.

39. ~~35.~~ Place of meetings. Subject to the articles and any unanimous shareholder agreement, a meeting of the shareholders of the Corporation may be held at such place in or outside Ontario as the directors may determine or, in the absence of such a determination, at the place where the registered office of the Corporation is located.

40. ~~36.~~ Notice. A notice stating the day, hour and place of meeting and, if special business is to be transacted thereat, stating (or accompanied by a statement of) (i) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment thereon, and (ii) the text of any special resolution or by-law to be submitted to the meeting, shall be served by sending such notice to each person who is entitled to notice of such meeting and who on the record date for notice appears on the records of the Corporation or its transfer agent is a shareholder entitled to vote at the meeting and to each director of the Corporation and to the auditor of the Corporation by prepaid mail not less than 21 days (or such longer period as may be required by applicable securities ~~legislation~~ laws) and not more than 50 days (exclusive of the day of mailing and of the day for which notice is given) before the date (if the Corporation is an offering corporation as such term is defined in the Act) or not less than 10 days before the date (if the Corporation is not an offering corporation) of every meeting addressed to the latest address of each such person as shown in the records of the Corporation or its transfer agent, or if no address is shown therein, then to the last address of each such person known to the Secretary; provided that a meeting of shareholders may be held for any purpose at any date and time and at any place without notice if all the shareholders and other persons entitled to notice of such meeting are present in person or represented by proxy at the meeting (except where the shareholder or such other person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all the shareholders and other persons entitled to notice of such meeting and not present in person nor represented by proxy thereat waive notice of the meeting. Notice of any meeting of shareholders or the time for the giving of any such notice or any irregularity in any such meeting or in the notice thereof may be waived in any manner by any



shareholder, the duly appointed proxy of any shareholder, any director or the auditor of the Corporation and any other person entitled to attend a meeting of shareholders, and any such waiver may be validly given either before or after the meeting to which such waiver relates.

The auditor of the Corporation is entitled to attend any meeting of shareholders of the Corporation and to receive all notices and other communications relating to any such meeting that a shareholder is entitled to receive.

41. ~~37.~~ Omission of notice. The accidental omission to give notice of any meeting to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at any meeting of shareholders.

42. ~~38.~~ Record dates for notice of meetings. Subject to subsection 95(4) of the Act, the directors may fix in advance a date as the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders, but such record date shall not precede by more than 60 days or by less than 30 days the date on which the meeting is to be held. Notice of such record date shall be given not less than seven days before the record date, by advertisement in a newspaper published or distributed in the place where the Corporation has its registered office and in each place in Canada where it has a transfer agent or where a transfer of the Corporation's shares may be recorded, and, where applicable, by written notice to each stock exchange in Canada on which the Corporation's shares are listed for trading.

If no record date is fixed, the record date for the determination of the shareholders entitled to receive notice of a meeting of the shareholders shall be

- (i) at the close of business on the day immediately preceding the day on which notice is given; or
- (ii) if no notice is given, the day on which the meeting is held.

43. ~~39.~~ Votes. Every question submitted to any meeting of shareholders shall be decided in the first instance on a show of hands and in case of an equality of votes the chairman of the meeting shall both on a show of hands and at a poll have a second or casting vote in addition to the vote or votes to which he may be entitled as a shareholder or proxy nominee.

At any meeting, unless a poll is demanded by a shareholder or proxyholder entitled to vote at the meeting, either before or after any vote by a show of hands, a declaration by the Chairman of the meeting that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the motion.

In the absence of the Chairman of the Board (if any), Chief Executive Officer, the President and any Vice-President, and if no other person is agreed by the Chairman and the ~~Board~~ board to chair the meeting within 15 minutes from the

start time fixed for the meeting, the shareholders present entitled to vote shall choose another director as chairman of the meeting and if no director is present or if all the directors present decline to take the chair then the shareholders present shall choose one of their number to be chairman.

If at any meeting a poll is demanded on the election of a chairman or on the question of adjournment or termination, the poll shall be taken forthwith without adjournment. If a poll is demanded on any other question or as to the election of directors, the poll shall be taken by ballot in such manner and either at once or later at the meeting or after adjournment as the chairman of the meeting directs. The result of a poll shall be deemed to be the resolution of the meeting at which the poll was demanded. A demand for a poll may be made either before or after any vote by show of hands and may be withdrawn.

Where two or more persons hold the same share or shares jointly, any one of such persons present at a meeting of shareholders has the right, in the absence of the other or others, to vote in respect of such share or shares, but if more than one of such persons are present or represented by proxy and vote, they shall vote together as one on the share or shares jointly held by them.

44. Persons Entitled to be Present. The only persons entitled to be present at a meeting of the shareholders shall be those entitled to attend or vote at the meeting, the directors, officers, auditor, legal counsel of the Corporation and others who, although not entitled to attend or vote, are entitled or required under any provision of the Act, the articles, by-laws or a unanimous shareholder agreement to be present at the meeting. Any other person may be admitted only on the invitation of the chairperson of the meeting or with the consent of the meeting.

45. ~~40.~~ Proxies. Votes at meetings of the shareholders may be given either personally or by proxy. At every meeting at which a shareholder is entitled to vote, every shareholder present in person and every proxyholder shall have one (1) vote on a show of hands. Upon a poll at which a shareholder is entitled to vote every shareholder present in person or by proxy shall (subject to the provisions, if any, of the Corporation's articles) have one (1) vote for every share registered in his name.

Every shareholder, including a shareholder that is a body corporate, entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxyholder or proxyholders or one or more alternate proxyholders, who need not be shareholders, as nominee to attend and act at the meeting in the manner, to the extent and with the authority conferred by the proxy.

A proxy shall be executed by the shareholder or attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized. If the Corporation is an "offering corporation" as defined in paragraph 1(1) of the Act, any such proxy appointing a proxyholder to attend and act at a meeting ~~or meetings of shareholders ceases to be valid one year from its date~~ is

only valid at the meeting in respect of which it is given or any adjournment thereof.

An instrument appointing a proxyholder may be in the following form or in any such other form which complies with the regulations made under the Act and other applicable law and which the directors may approve from time to time:

“The undersigned shareholder of THE CALDWELL PARTNERS INTERNATIONAL INC. hereby appoints  
of \_\_\_\_\_, whom failing,

Of \_\_\_\_\_ as the nominee of the undersigned to attend and act for and on behalf of the undersigned at the meeting of the shareholders of the said Corporation to be held on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ and at any adjournment thereof in the same manner, to the same extent and with the same power as if the undersigned were personally present at the said meeting or such adjournment thereof.

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Signature of Shareholder

This form of proxy must be signed by a shareholder or his attorney authorized in writing or, if the shareholder is a body corporate, by an officer or attorney thereof duly authorized.”

The directors may from time to time pass regulations regarding the lodging of instruments appointing a proxyholder at some place or places other than the place at which a meeting or adjourned meeting of shareholders is to be held and for particulars of such instruments to be e-mailed, faxed, sent in writing or otherwise communicated by electronic means that produces a written copy before the meeting or adjourned meeting to the Corporation or any agent of the Corporation appointed for the purpose of receiving such particulars and providing that instruments appointing a proxyholder so lodged may be voted upon as though the instruments themselves were produced at the meeting or adjourned meeting and votes given in accordance with such regulations shall be valid and shall be counted. The chairman of the meeting of shareholders may, subject to any regulations made as aforesaid, in his discretion accept e-mail, fax or written communication, or electronic communication that produces a written copy, as to the authority of anyone claiming to vote on behalf of and to represent a shareholder notwithstanding that no instrument of proxy conferring such authority has been lodged with the Corporation, and any votes given in accordance with such e-mail, fax, written or electronic communication accepted by the chairman of the meeting shall be valid and shall be counted.

46. ~~41.~~ Adjournment. The chairman of the meeting may with the consent of the meeting adjourn any meeting of shareholders from time to time to a fixed time and place and if the meeting is adjourned for less than thirty (30) days no notice of the time and place for the holding of the adjourned meeting need be given to any shareholder, other than by announcement at the earliest meeting that is adjourned. 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 as for an original meeting but, unless the meeting is adjourned by one or more adjournments for an aggregate of more than ninety (90) days, section 111 and section 112 of the Act do not apply. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment, provided that a quorum is present thereat. The persons who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

47. ~~42.~~ Quorum. Two (2) persons present and each holding or representing by proxy at least one (1) issued share of the Corporation shall be a quorum of any meeting of shareholders for the choice of a chairman of the meeting and for the adjournment of the meeting to a fixed time and place but may not transact any other business; for all other purposes a quorum for any meeting shall be persons present not being less than two (2) in number and holding or representing by proxy not less than 10% of the votes attaching to all the issued shares of the Corporation. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

Notwithstanding the foregoing, if the Corporation has only one shareholder, or only one shareholder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting and a quorum for such meeting.

#### SHARES AND TRANSFERS

48. ~~43.~~ Issuance. Subject to the articles of the Corporation and any unanimous shareholder agreement, shares in the Corporation may be issued at such time and issued to such persons and for such consideration as the directors may determine.

49. ~~44.~~ Security certificates. Security certificates (and the form of transfer power on the reverse side thereof) shall (subject to compliance with section 56 of the Act) be in such form as the directors may from time to time by resolution approve and, subject to subsection 55(3) of the Act, such certificates shall be signed manually by at least one director or officer of the Corporation or by or on behalf of a registrar, transfer agent, branch transfer agent or issuing or other authenticating agent of the Corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be

printed or otherwise mechanically reproduced thereon. Notwithstanding any change in the persons holding an office between the time of actual signing and the issuance of any certificate and notwithstanding that a person signing may not have held office at the date of issuance of such certificate, any such certificate so signed shall be valid and binding upon the Corporation.

50. ~~45.~~ Transfer agents. For each class of securities and warrants issued by the Corporation, the directors may from time to time by resolution appoint or remove,

- (a) a trustee, transfer agent or other agent to keep the securities register and the register of transfer and one or more persons or agents to keep branch registers; and
- (b) a registrar, trustee or agent to maintain a record of issued security certificates and warrants,

and subject to section 48 of the Act, one person may be appointed for the purposes of both clauses (a) and (b) in respect of all securities and warrants of the Corporation or any class or classes thereof.

51. ~~46.~~ Surrender of security certificates. Subject to the Act, no transfer of a security issued by the Corporation shall be recorded or registered unless and until (i) the ~~security~~ certificate representing the security to be transferred has been surrendered and cancelled or (ii) if no security certificate has been issued by the Corporation in respect of such share, a duly executed security transfer power in respect thereof has been presented for registration.

52. ~~47.~~ Defaced, destroyed, stolen or lost security certificates. In case of the defacement, destruction, theft or loss of a security certificate, the fact of such defacement, destruction, theft or loss shall be reported by the owner to the Corporation or to an agent of the Corporation (if any) acting on behalf of the Corporation, with a statement verified by oath or statutory declaration as to the defacement, destruction, theft or loss and the circumstances concerning the same and with a request for the issuance of a new security certificate to replace the one so defaced, destroyed, stolen or lost. Upon the giving to the Corporation (or, if there be an agent, hereinafter in this paragraph referred to as the "Corporation's agent", then to the Corporation and the Corporation's agent) of an indemnity bond of a surety company in such form as is approved by the directors or by the Chairman of the Board (if any), the President, a Vice-President, the Secretary or the Treasurer of the Corporation, indemnifying the Corporation (and the Corporation's agent if any) against all loss, damage and expense, which the Corporation and/or the Corporation's agent may suffer or be liable for by reason of the issuance of a new security certificate to such shareholder, and provided the Corporation or the Corporation's agent does not have notice that the security has been acquired by a bona fide purchaser, a new security certificate may be issued in replacement of the one defaced, destroyed, stolen or lost, if such issuance is ordered and authorized by any one of the Chairman of the Board (if any), the President, a Vice-President, the Secretary or the Treasurer of the Corporation or by resolution of the directors.

## DIVIDENDS

53. ~~48.~~—The directors may from time to time by resolution declare and the Corporation may pay dividends on its issued shares, subject to the provisions (if any) of the Corporation's articles.

The directors shall not declare and the Corporation shall not pay a dividend if there are reasonable grounds for believing that:

- (a) the Corporation is, or, after the payment, would be unable to pay its liabilities as they become due; or
- (b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

The directors may declare and the Corporation may pay a dividend by issuing fully paid shares of the Corporation or options or rights to acquire fully paid shares of the Corporation and, subject to section 38 of the Act, the Corporation may pay a dividend in money or property.

54. ~~49.~~—In case several persons are registered as the joint holders of any securities of the Corporation, any one of such persons may give effectual receipts for all dividends and payments on account of dividends, principal, interest and/or redemption payments on redemption of securities (if any) subject to redemption in respect of such securities.

55. To the extent permitted by law, any dividend or other distribution that remains unclaimed after a period of two years from the date on which the dividend has been declared to be payable is forfeited and will revert to the Corporation.

## RECORD DATES

56. ~~50.~~—Subject to section 95 of the Act, the directors may fix in advance a date as the record date for the determination of shareholders (i) entitled to receive payment of a dividend, (ii) entitled to participate in a liquidation or distribution, or (iii) for any other purpose except the right to receive notice of or to vote at a meeting of shareholders, but such record date shall not precede by more than 50 days the particular action to be taken.

If no record is fixed, the record date for the determination of shareholders for any purpose, other than to establish a record date for the determination of shareholders entitled to receive notice of a meeting of shareholders or to vote, shall be the close of business on the day on which the directors pass the resolution relating thereto.

## VOTING SECURITIES IN OTHER ISSUERS

57. ~~51.~~—All securities of any other body corporate or issuer of securities carrying voting rights held from time to time by the Corporation may be voted at all

meetings of shareholders, bondholders, debenture holders or holders of such securities, as the case may be, of such other body corporate or issuer and in such manner and by such person or persons as the directors of the Corporation shall from time to time determine and authorize by resolution. The duly authorized signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and/or arrange for the issuance of voting certificates and/or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the directors.

#### NOTICES, ETC.

58. ~~52.~~ Service. Any notice or other document required to be given or sent by the Corporation to any shareholder or director of the Corporation shall be delivered personally or sent by prepaid mail or by e-mail, fax or other electronic means that produces a written copy addressed to:

- (a) the shareholder at his or her latest address as shown on the records of the Corporation or its transfer agent; and
- (b) the director at his latest address as shown in the records of the Corporation or in the last notice filed under the Corporations Information Act, whichever is the more current.

With respect to every notice or other document sent by prepaid mail it shall be sufficient to prove that the envelope or wrapper containing the notice or other document was properly addressed and put into a post office or into a post office letter box and shall be deemed to be received by the addressee on the fifth day after mailing.

59. ~~53.~~ If the Corporation sends a notice or document to a shareholder and the notice or document is returned on three consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notices or documents to the shareholder until he or she informs the Corporation in writing of his or her new address.

60. ~~54.~~ Shares registered in more than one name. All notices or other documents shall, with respect to any shares in the capital of the Corporation registered in more than one name, be given to whichever of such persons is named first in the records of the Corporation and any notice or other document so given shall be sufficient notice or delivery of such document to all the holders of such shares.

61. ~~55.~~ Persons becoming entitled by operation of law. Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any shares in the capital of the Corporation shall be bound by every notice or other document in respect of such shares which prior to the name and address of the shareholder being entered on the records of the Corporation shall have been duly given to the person or persons from whom he derives his title to such shares.



62. ~~56.~~ Deceased shareholder. Any notice or other document delivered or sent by post or left at the address of any shareholder as the same appears in the records of the Corporation shall, notwithstanding that such shareholder be then deceased and whether or not the Corporation has notice of his or her decease, be deemed to have been duly served in respect of the shares held by such shareholder (whether held solely or with other persons) until some other person be entered in his or her stead in the records of the Corporation as the holder or one of the holders thereof and such service shall for all purposes be deemed a sufficient service of such notice or other document on his heirs, executors or administrators and all persons (if any) interested with him or her in such shares.

63. ~~57.~~ Signatures to notices. The signature of any director or officer of the Corporation to any notice may be written, printed or otherwise mechanically reproduced.

64. ~~58.~~ Computation of time. Where a given number of days' notice or notice extending over any period is required to be given under any provisions of the articles or by-laws of the Corporation, the day of service, posting or other communication of the notice shall not be counted in such number of days or other period, and such number of days or other period shall commence on the day following the day of service, posting or other communication of the notice and shall terminate at midnight of the last day of the period except that if the last day of the period falls on a Sunday or holiday the period shall terminate at midnight of the day next following that is not a Sunday or holiday.

65. ~~59.~~ Proof of service. A certificate of any officer of the Corporation in office at the time of the making of the certificate or of an agent of the Corporation as to facts in relation to the mailing or delivery or service of any notice or other documents to any shareholder, director, officer or auditor or publication of any notice or other document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation, as the case may be.

#### CHEQUES, DRAFTS, NOTES, ETC.

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

#### CUSTODY OF SECURITIES

67. ~~61.~~ All securities (including warrants) owned by the Corporation may, if the directors determine it to be appropriate, be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the directors, with such other depositaries or in such other manner as may be determined from time to time by the directors.

All securities (including warrants) belonging to the Corporation may be issued and held in the name of a nominee or nominees of the Corporation (and if issued



or held in the names of more than one nominee shall be held in the names of the nominees jointly with right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer thereof to be completed and registration thereof to be effected.

#### EXECUTION OF CONTRACTS, ETC.

68. ~~62.~~ Contracts through which the Corporation becomes entitled to receive revenue for assignments performed may be signed by any partner of the Corporation in person or by an agent of such partner. Other contracts, documents or instruments in writing requiring the signature of the Corporation ~~must~~may be signed by any two of the President ~~or~~ Chief Executive Officer ~~plus any one of the~~ Chief Financial Officer, any Vice President or any director and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors are authorized from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Corporation either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The corporate seal of the Corporation may, when required, be affixed to contracts, documents or instruments in writing signed as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the board of directors.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, powers of attorney, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all paper writings.

In particular, without limiting the generality of the foregoing, such officers and/or directors are authorized to sell, assign, transfer, exchange, convert or convey all securities owned by or registered in the name of the Corporation and to sign and execute (under the seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such securities.

The signature or signatures of any such officer or director of the Corporation and/or of any other officer or officers, person or persons appointed as aforesaid by resolution of the directors may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon all contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or securities of the Corporation on which the signature or signatures of any of the foregoing officers, directors or persons shall be so reproduced, by authorization

by resolution of the directors, shall be deemed to have been manually signed by such officers, directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers, directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or securities of the Corporation.

#### ENFORCEMENT OF LIEN FOR INDEBTEDNESS

69. ~~63.~~ Unless the Corporation has shares listed on a stock exchange recognized by the Ontario Securities Commission, the Corporation has a lien on shares registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation. The directors of the Corporation may authorize the Corporation to apply any dividends or other distributions paid or payable on or in respect of the share or shares in respect of which the Corporation has such a lien in repayment of the debt of that shareholder to the Corporation.

#### FINANCIAL YEAR

70. ~~64.~~ The financial year of the Corporation shall terminate on such day in each year as the board of directors may from time to time by resolution determine.

#### FORUM SELECTION

71. Unless the Corporation consents in writing to the selection of an alternative forum, the Superior Court of Justice of the Province of Ontario, Canada and the appellate Courts therefrom (or, failing such court, any other "court" as defined in the Act having jurisdiction and the appellate Courts therefrom), shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Corporation to the Corporation; (iii) any action or proceeding asserting a claim arising pursuant to any provision of the Act or the articles or the by-laws of the Corporation (as either may be amended from time to time); or (iv) any action or proceeding asserting a claim otherwise related to the "affairs" (as defined in the Act) of the Corporation. If any action or proceeding the subject matter of which is within the scope of the preceding sentence is filed in a Court other than a Court located within the Province of Ontario (a "Foreign Action") in the name of any securityholder, such securityholder shall be deemed to have consented to (i) the personal jurisdiction of the provincial and federal Courts located within the Province of Ontario in connection with any action or proceeding brought in any such Court to enforce the preceding sentence and (ii) having service of process made upon such securityholder in any such action or proceeding by service upon such securityholder's counsel in the Foreign Action as agent for such securityholder.

PARAMOUNTCY

72. In the event of any conflict between any provision of this by-law and the Act or the articles, the provision of the Act or the articles shall prevail.

REPEAL

73. All previous by-laws of the Corporation are repealed as of the coming into force of this by-law provided that such repeal shall not affect the previous operation of any by-law so repealed or affect the validity of any act done or right, privilege, obligation, or liability acquired or incurred under or the validity of any contract or agreement made pursuant to any such by-law prior to its repeal. All officers and persons acting under any by-law so repealed shall continue to act as if appointed under the provisions of this by-law and all resolutions of the shareholders or the board with continuing effect passed under any repealed by-law shall continue to be valid except to the extent inconsistent with this by-law and until amended or repealed.

ENACTED the ~~16~~12<sup>th</sup> day of ~~January, 2012~~October, 2017 and confirmed by the shareholders the ~~9th~~9th day of ~~February, 2012~~October, 2017.

WITNESS the corporate seal of the Corporation.