



NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL MEETING (“Meeting”) of holders of common shares (hereinafter “**Common Shares**”) of Olympia Financial Group Inc. (the “**Corporation**”) will be held at 2300, 125 – 9th Avenue S.E., Calgary, Alberta, at 2:00 p.m., on June 15, 2016 for the following purposes:

1. to receive and consider the audited financial statements of the Corporation dated December 31, 2015, together with the report of the auditor thereon;
2. to consider and, if thought advisable, pass a resolution fixing the number of directors at seven (7);
3. to elect the Board of Directors of the Corporation for the ensuing year;
4. to reappoint PricewaterhouseCoopers LLP, Chartered Accountants as auditor of the Corporation for the ensuing year and to authorize the Board of Directors to fix the auditor’s remuneration; and
5. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

IMPORTANT

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend and would like your Common Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. All proxies, to be valid, must be received by Olympia Financial Group Inc. c/o CST Trust Company, 600 The Dome Tower, 333 – 7th Avenue SW, Calgary, Alberta, T2P 2Z1 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

DATED the 9th day of May, 2016.

By Order of the Board of Directors

(Signed) “*Rick Skauge*”

Rick Skauge

President, Chief Executive Officer and Director

Management Information Circular

Effective Date

Except where indicated otherwise, the following information is dated May 9, 2016 and all dollar amounts are in Canadian dollars.

Solicitation of Proxies

This management information circular (“**Management Information Circular**”) is furnished in connection with the solicitation by management of Olympia Financial Group Inc. (the “**Corporation**”) of proxies for the annual general meeting of the shareholders of the Corporation (the “**Meeting**”) to be held on June 15, 2016, at 2:00 p.m., at the offices of the Corporation, 2300, 125 – 9th Avenue S.E., Calgary, Alberta, or at any adjournment thereof, for the purposes set out in the accompanying notice of meeting (“**Notice of Meeting**”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares (as defined below) held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

Appointment and Revocation of Proxies

The persons named (the “Management Designees”) in the enclosed form of proxy (“Instrument of Proxy”) have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them.

A shareholder has the right to designate a person (who need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper Instrument of Proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide instructions on how the shareholder’s shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the Instrument of Proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached, where an attorney executed the Instrument of Proxy.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation’s transfer agent, CST Trust Company, 600 The Dome Tower, 333 – 7th Avenue SW, Calgary, Alberta, T2P 2Z1 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Corporation or with CST Trust Company, 600 The Dome Tower, 333 – 7th Avenue SW, Calgary, Alberta, T2P 2Z1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or any adjournment thereof. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting his

or her shares.

The Corporation is not using “notice-and-access” to send its proxy-related materials to shareholders, and paper copies of such materials will be sent to all shareholders. The Corporation will not send proxy-related materials directly to non-objecting Beneficial Shareholders and such materials will be delivered to non-objecting Beneficial Shareholders by Broadridge or through the non-objecting Beneficial Shareholder’s intermediary. The Corporation will pay for the costs of an intermediary to deliver to objecting Beneficial Shareholders the proxy related materials and Form 54-101F7 Request for Voting Instructions Made by Intermediary of National Instrument 54-101.

Voting of Proxies

Each shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification.

In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Corporation is not aware of any amendments to, variations of or other matters that may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Corporation.

Notice to Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (referred to in this Management Information Circular as “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

There are two ways to vote Common Shares held by your broker or nominee. Applicable regulatory policy requires intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders meetings. Each intermediary or broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now

delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions about the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the Instrument of Proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

Voting Shares

As at May 9, 2016 (the “**Effective Date**”), the Corporation has an authorized capital consisting of an unlimited number of Common Shares without nominal or par value, of which 2,406,352 Common Shares are issued and outstanding. In addition, the Corporation is authorized to issue an unlimited number of preferred shares issuable in series, none of which are currently issued.

Holders of Common Shares of record at the close of business on May 11, 2016 (the “**Record Date**”) are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that it owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his or her name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares at the Meeting.

Principal Holders of Voting Shares

To the knowledge of the directors and Named Executive Officers (as hereinafter defined in “*Compensation Discussion and Analysis*”) of the Corporation, as at the Effective Date, the following individual is the only shareholder beneficially owning, directly or indirectly, Common Shares carrying more than ten (10%) percent of the voting rights of the outstanding Common Shares of the Corporation:

| NAME OF SHAREHOLDER | NUMBER OF COMMON SHARES BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY | PERCENTAGE OF COMMON SHARES BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY |
|---------------------|--|--|
| Rick Skauge | 753,798 ⁽¹⁾ | 31.3% |

NOTE

- (1) Of the 753,798 Common Shares controlled by Mr. Skauge, 89,342 Common Shares are held personally; 13,324 Common Shares are held by his spouse; 55,200 Common Shares are held by Target Capital Inc. (a company controlled by Mr. Skauge); 109 Common Shares are held by Exempt Experts Inc. (a company controlled by Mr. Skauge); 3,200 Common Shares are held by Read Brandon Inc. (a company controlled by Mr. Skauge) and 592,623 are held by Tarman Inc. (a company controlled by Mr. Skauge).

Quorum for Meeting

The Bylaws of the Corporation provide that one (1) person present in person at the Meeting, being a shareholder entitled to vote or a duly appointed proxy or representative for an absent shareholder so entitled, representing in person or by duly appointed proxy of 5% of the Corporation's issued and outstanding Common Shares constitutes a quorum for the purpose of the Meeting.

Interest of Certain Parties in Matters to be Acted Upon

Other than as set forth herein, the Corporation is not aware of any other material interest of any director or executive officer of the Corporation or associate or affiliate thereof, in any matter to be acted upon at the Meeting.

Approval Requirements

All of the matters to be considered at the Meeting are ordinary resolutions requiring approval by more than 50% of the votes cast in respect of the resolution by or on behalf of shareholders present in person or represented by proxy at the Meeting.

Compensation Discussion and Analysis - Executive Compensation

The following compensation discussion and analysis outlines the design, provisions and total value of the Corporation's executive and director compensation for the fiscal year ending December 31, 2015. For the purposes of the following discussion and analysis, the term "**Named Executive Officers**" means individuals who were acting as, or were acting in a capacity similar to, a chief executive officer or chief financial officer and the three most highly compensated executive officers whose total compensation exceeded \$150,000 per annum.

The main objective of the compensation program is to reward Named Executive Officers and directors for their contributions to the achievements of the Corporation. The Corporation's pay-for-performance philosophy seeks to align the interests of Named Executive Officers and directors with the interests of the Corporation's shareholders. At the same time, a key component of the Corporation's compensation approach is the development and maintenance of a framework for executive compensation which is competitive, and allows for the Corporation to attract, retain and motivate qualified high performing executives.

Compensation Philosophy

The Corporation's pay-for-performance compensation philosophy is intended to provide a link between an executive's total direct compensation and both the Corporation's business performance and the Named Executive Officer's own individual performance. Philosophically, the amount that a Named Executive Officer could earn depends to a significant degree upon how well the business performs overall and how the Named Executive Officer performs in his or her specific area. The Corporation's compensation philosophy is to:

- establish compensation opportunities that resemble those of an entrepreneur; and
- provide a type of compensation which has the ability to fluctuate up or down depending on the specific profitability of each Named Executive Officer's area of control (however the President, the Executive Vice President and the Chief Financial Officer's compensation is tied, in whole or in part, to the profitability of the Corporation as a whole).

Policies of Compensation

The Corporation's compensation policies are designed to recognize and reward individual performance as well as to provide a competitive level of compensation. The Corporation's current compensation plan consists of the following elements:

- management or employment contracts;
- base salaries;
- incentive bonuses based on profit sharing and/or account openings; and
- benefits and perquisites.

A description of each element and its purpose is described below.

Elements of Compensation

Management or Employment Contracts

The Corporation uses management or employment contracts as a means to incent certain executives to maximize the profitability of their applicable business units and the profitability of the Corporation as a whole. A summary of each management or employment agreement that the Corporation has with the Named Executive Officers is set out as follows.

The Corporation has entered into a management services agreement with Tarman Inc. ("**Tarman**") to supply the services of Rick Skauge as President and Chief Executive Officer of the Corporation. Rick Skauge is the controlling shareholder of Tarman. Pursuant to the agreement, Tarman is entitled to: (i) a Health Plan Division incentive bonus of 1% of the first \$1,000,000 per month of health claims and 0.5% on any health claim amounts in excess of \$1,000,000 per month; (ii) a Registered Plans Division incentive bonus equal to 20% of the pre-tax earnings of that division; (iii) an incentive bonus equal to 6% of the pre-tax earnings of the Foreign Exchange Division after the Corporation has recovered all losses; and (iv) an incentive bonus equal to 6% of the pre-tax earnings of the ATM Division.

The Corporation has entered into an employment agreement with Craig Skauge, Executive Vice President. Mr. Skauge is entitled to receive \$30,000 per annum; a 1% bonus based on the pre-tax earnings of the Corporation; a 5% bonus based on the pre-tax earnings of the Registered Plans Division; a monthly bonus of \$25 for each new registered account opened in excess of 125 in a given month; a monthly bonus of \$25 for each new mortgage the RRSP Division funds in excess of 35 in a given month; a monthly bonus of \$0.10 for every account administered by the RRSP Division and a \$500 per month car allowance. Upon reaching certain thresholds, up to \$2,500 of Mr. Skauge's monthly bonus is retained by the Corporation to recover the cost of his salary.

The Corporation has entered into an employment agreement with Gerhard Barnard to retain his services to fulfill the position of Vice President, Finance and Chief Financial Officer of the Corporation. Mr. Barnard's remuneration for 2015 included a base salary of \$100,000 and a bonus of 3% of the Corporation's pre-tax earnings.

The Corporation has entered into an employment agreement with Lori Ryan, Vice President, Registered Plans. Ms. Ryan is entitled to receive \$80,000 per annum; a 5% bonus based on the pre-tax earnings of the Registered Plans Division; a monthly bonus of \$25 for each new registered account opened; a monthly bonus of \$0.10 for every account administered by the RRSP Division; and a monthly bonus of \$15 for each new mortgage the RRSP Division funds in a given month.

The Corporation has entered into an employment agreement with Derick Kachuik, Vice President, Foreign Exchange. Mr. Kachuik is entitled to receive \$75,000 per annum; a 25% bonus based on the pre-tax earnings of the Foreign Exchange Division; a sales commission of 20% of the profit from each foreign exchange transaction he completes personally as a foreign exchange trader.

Base Salaries

The purpose of the base salary is to provide executives with a minimum amount of compensation that is not linked directly to profitability. The Compensation Committee is responsible for negotiating compensation agreements with the President and the

President is tasked with negotiating compensation agreements with all other Named Executive Officers.

Incentive Bonuses

Incentive bonuses are a short-term compensation element, designed to reward Named Executive Officers on a monthly basis. Determination of the amount of bonus awarded to each Named Executive Officer is outlined in each Named Executive Officer's management or employment contract (*See Management or Employment Contracts and Executive Compensation Summary Table* for further information regarding the details of the Corporation's incentive bonuses).

Benefits and Perquisites

In addition to the compensation elements set out above, the Named Executive Officers are also entitled to certain perquisites, such as paid monthly parking, life insurance and reimbursable health expenses.

Compensation Governance

The Corporation has a Compensation Committee that reviews and provides recommendations to the Board in respect of compensation matters relating to the Board and the President and Chief Executive Officer. The Compensation Committee is not responsible for establishing or reviewing the compensation for the Vice Presidents or any other executive officers as the Board has delegated all such responsibility to the President. The Compensation Committee is currently comprised entirely of independent directors, being Messrs. Newman (Chair), Janssen and Rice.

The Compensation Committee is responsible for performing oversight in relation to:

- establishing the compensation and benefits for the President; and
- evaluating the performance of the President of the Corporation.

All of the members of the Compensation Committee have extensive managerial and executive experience dealing with employee performance and compensation (see the brief biography for each member below). Each member has worked in excess of 15 years in the finance industry or in businesses related thereto, in a number of different roles and has extensive knowledge of relevant compensation practices and trends. Given their wealth of experience and the resources available to them, they are well positioned to make decisions with respect to the Corporation's compensation policies and practices.

Biographies for each of the members of the Compensation Committee are as follows:

Brian Newman, C.P.A., C.A. - Mr. Newman is Chair of the Audit Committee. Mr. Newman is a chartered professional accountant and is the President of Brian Newman Professional Corporation, a public accounting firm. Mr. Newman has a Bachelor of Commerce (Accounting Major) and has over 30 years of professional experience in audit, accounting tax and consulting.

Gerard Janssen, C.P.A., C.M.A. - Mr. Janssen is the Vice President, Finance and Chief Financial Officer of Response Energy Corporation, a private oil and gas exploration company. Mr. Janssen is a chartered professional accountant. He obtained a Masters in Business Administration (major in finance) in 1990 and he has held controller and finance roles with various issuers since 1993.

Alan Rice, C.P.A., C.A. - Mr. Rice is a chartered professional accountant with Rice & Company LLP. Mr. Rice graduated from the University of Lethbridge with a Bachelor of Management Degree and he holds a Masters in Professional Accounting from the University of Saskatchewan. He has also completed the Chartered Director Program through the Directors College (McMaster University). Prior to forming Rice & Company LLP, Mr. Rice gained valuable experience with public companies and not-for-profit organizations. These roles included positions such as chief financial officer and business development manager and his duties included; financial information review, business valuation, contract negotiation, acquisition integration, and strategic development. The previous roles have had a focus on International Financial Reporting Standards and the conversion from Canadian GAAP. He also has extensive experience in corporate tax preparation and Exempt Market financing audits.

Neither the Corporation nor the Compensation Committee has engaged a consultant or adviser to assist with compensation matters during the recently completed financial year.

Executive Compensation Summary Table

Summary Compensation Table

The following table sets forth all annual and long term compensation for the financial years ended December 31, 2015, December 31, 2014 and December 31, 2013 for services in all capacities to the Corporation and its subsidiaries, if any, in respect of individual(s) who were acting as Named Executive Officers.

| SUMMARY COMPENSATION TABLE | | | | | | | | | |
|--|-----------------------------------|-------------|---|--|---|---------------------------|--------------------|--|--|
| NAME AND PRINCIPAL POSITION | YEAR ENDED DEC 31 ⁽¹⁰⁾ | SALARY (\$) | SHARE-BASED AWARDS (\$) ⁽¹¹⁾ | OPTION-BASED AWARDS (\$) ⁽¹²⁾ | NON-EQUITY INCENTIVE PLAN COMPENSATION (\$) | | PENSION VALUE (\$) | ALL OTHER COMPENSATION (\$) ⁽³⁾ | TOTAL COMPENSATION (\$) ⁽⁴⁾ |
| | | | | | ANNUAL INCENTIVE PLANS | LONG-TERM INCENTIVE PLANS | | | |
| Rick Skauge ⁽⁵⁾ President and CEO | 2015 | Nil | Nil | Nil | Nil | Nil | Nil | 2,419,623 | 2,419,623 |
| | 2014 | Nil | Nil | Nil | Nil | Nil | Nil | 2,660,421 | 2,660,421 |
| | 2013 | Nil | Nil | Nil | Nil | Nil | Nil | 3,305,970 | 3,305,970 |
| Craig Skauge ⁽⁶⁾ Executive Vice President | 2015 | 30,000 | Nil | Nil | Nil | Nil | Nil | 899,997 | 929,997 |
| | 2014 | 30,000 | Nil | Nil | Nil | Nil | Nil | 768,391 | 798,391 |
| | 2013 | 30,000 | Nil | Nil | Nil | Nil | Nil | 455,753 | 485,753 |
| Gerhard Barnard ⁽⁷⁾ VP, Finance and CFO | 2015 | 100,000 | Nil | Nil | Nil | Nil | Nil | 218,800 | 318,800 |
| | 2014 | 100,000 | Nil | Nil | Nil | Nil | Nil | 398,905 | 498,905 |
| | 2013 | 200,000 | Nil | Nil | Nil | Nil | Nil | 508,387 | 708,387 |
| Lori Ryan ⁽⁸⁾ VP, Registered Plans | 2015 | 80,000 | Nil | Nil | Nil | Nil | Nil | 850,998 | 930,998 |
| | 2014 | 80,000 | Nil | Nil | Nil | Nil | Nil | 824,570 | 904,570 |
| | 2013 | 80,000 | Nil | Nil | Nil | Nil | Nil | 836,859 | 916,859 |

| | | | | | | | | | |
|---|------|--------|-----|-----|-----|-----|-----|---------|---------|
| Derick Kachuik⁽⁹⁾ VP, Foreign Exchange | 2015 | 75,000 | Nil | Nil | Nil | Nil | Nil | 581,388 | 656,388 |
| | 2014 | 75,000 | Nil | Nil | Nil | Nil | Nil | 181,460 | 256,460 |
| | 2013 | 75,000 | Nil | Nil | Nil | Nil | Nil | 262,716 | 337,716 |

NOTES:

- (1) **“Share-Based Award”** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) **“Option-Based Award”** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features.
- (3) Under the column titled **“All Other Compensation,”** the Corporation has included: the dollar amount of (a) incentive bonuses paid during the year (pursuant to management contracts or otherwise), (b) life insurance premiums, (c) service awards, (d) payments in furtherance of academic studies; (e) allowance for parking; (f) trailer commissions; and (g) bonus payable in connection with the sale of the Corporate and Shareholder Services Division.
- (4) The Named Executive Officers did not receive any additional compensation for serving as directors of the Corporation.
- (5) Rick Skauge was appointed President and Chief Executive Officer in 1996. For the period ending December 31, 2015, the amount set out under “All Other Compensation” includes management contract payments of \$2,313,635, trailer commissions of \$77,465, \$22,475 for life insurance and \$6,048 related to a parking allowance.
- (6) Craig Skauge was appointed Manager, Business Development, Registered Plans in 2003 and was promoted to Executive Vice President in December 2013. For the period ending December 31, 2015, the amount set out under “All Other Compensation” includes employment agreement payments of \$887,136, a car allowance of \$6,000, \$6,048 related to a parking allowance and \$813 for life insurance.
- (7) Gerhard Barnard was appointed Chief Financial Officer in November 2007. For the period ending December 31, 2015, the amount set out under “All Other Compensation” includes employment agreement payments of \$211,939, \$813 for life insurance and \$6,048 for parking allowance.
- (8) Lori Ryan was appointed Vice President, Registered Plans in 2004. For the period ending December 31, 2015, the amount set out under “All Other Compensation” includes employment agreement payments of \$844,137, \$813 for life insurance and \$6,048 related to a parking allowance.
- (9) Derick Kachuik was appointed Vice President, Foreign Exchange in January, 2005. For the period ending December 31, 2015, the amount set out under “All Other Compensation” includes employment agreement payments of \$574,527, \$813 for life insurance and \$6,048 for a parking allowance.
- (10) For information on the Named Executive Officers compensation for the two financial years ended December 31, 2014 and December 31, 2013, please see the Management Information Circulars of the Corporation dated May 13, 2015 and May 8, 2014 (both of which are available on www.sedar.com).

Narrative Discussion Relating to Summary Compensation Table

Rick Skauge, President and Chief Executive Officer - Mr. Skauge’s compensation package is comprised of the following:

- No annual salary;
- 20% of the pre-tax earnings of the Registered Plans division;
- 6% of the pre-tax earnings of the Foreign Exchange division (after losses);
- 6% of the pre-tax earnings of the ATM division;
- 1% on the first one million (\$1,000,000) dollars per month of health claims paid by Olympia Benefits Inc. and 0.5% on any health claim amounts in excess of one million (\$1,000,000) dollars per month; and
- Health Spending Plan benefit of up to \$17,500.

In the event that Mr. Skauge ceases to be the President and CEO of the Corporation, he has agreed to continue to serve the Corporation as a consultant and would receive half of the amounts set out above.

Craig Skauge, Executive Vice President –Mr. Craig Skauge's compensation package is comprised of the following:

- Annual salary of \$30,000 which is repaid to the Corporation upon his monthly bonus reaching certain thresholds;
- 5% of the pre-tax earnings of the Registered Plans division;
- 1% of the consolidated pre-tax earnings of the Corporation;
- \$25 monthly bonus for each new account opened each month which is in excess of 125 accounts;
- \$0.10 monthly bonus for every plan administered by the Registered Plans division;
- \$25 monthly bonus for each new mortgage the Registered Plans division funds each month in excess of 35;

- a \$500 per month car allowance; and
- Health Spending Plan benefit of up to \$17,500.

In the event that Mr. Craig Skauge ceases to be the Executive Vice President of the Corporation, he has agreed to continue to serve the Corporation as a consultant for a period of five (5) years and would receive 5% of the pre-tax earnings of the Registered Plans division.

Gerhard Barnard, Vice-President, Finance and CFO – Mr. Barnard’s compensation package is comprised of the following (amended effective March 1, 2016):

- No annual salary;
- 4.0% of the consolidated pre-tax earnings of the Corporation (provided Mr. Barnard is guaranteed a minimum bonus of \$350,000 per annum); and
- Health Spending Plan benefit of up to \$17,500.

In the event that Mr. Barnard’s employment is terminated by the Corporation, the Corporation shall pay Mr. Barnard severance equal to 9 months’ salary and bonus.

Lori Ryan, Vice-President, Registered Plans Division - Ms. Ryan’s compensation package is comprised of the following:

- Annual salary of \$80,000;
- 5% of the pre-tax earnings of the Registered Plans division;
- \$25 monthly bonus for each new account opened each month;
- \$0.10 monthly bonus for every plan administered by the Registered Plans division;
- \$15 monthly bonus for each new mortgage administered each month; and
- Health Spending Plan benefit of up to \$17,500.

In the event that Ms. Ryan ceases to be the Vice-President, Registered Plans of the Corporation, she has agreed to continue to serve the Corporation as a consultant for a period of five (5) years and would receive 5% of the pre-tax earnings of the Registered Plans division.

Derick Kachuik, Vice-President, Foreign Exchange Division – Mr. Kachuik’s compensation package is comprised of the following:

- Annual salary of \$75,000;
- 25% of the pre-tax earnings of the Foreign Exchange division;
- a 20% commission on all foreign exchange trades personally completed; and
- Health Spending Plan benefit of up to \$17,500.

In the event that Mr. Kachuik ceases to be the Vice-President, Foreign Exchange of the Corporation, he has agreed to continue to serve the Corporation as a consultant for a period of five (5) years and would receive an annual amount for the consulting term equal to (a) plus (b) below:

- (a) the lesser of:
 - (i) Twenty-five percent (25%) of the annual pre-tax operating profits for the Foreign Exchange division for the fiscal year immediately preceding the change of role; or
 - (ii) Twenty-five percent (25%) of the annual pre-tax operating profits of the Foreign Exchange division for each year of the consulting term following the change of role; and
- (b) 12.5% of any pre-tax operating profits of the Foreign Exchange division that exceeds the annual pre-tax operating profits of the Foreign Exchange division for the fiscal year immediately preceding the change of role.

Risk Oversight in Relation to Compensation Practices and Policies

The Board has discussed and assessed risk related to the Corporation's compensation policies and practices and is of the view that, when looked at in their totality, the Corporation's compensation policies and practices do not incentivize excessive risk taking.

Rick Skauge, President and Chief Executive Officer – Given Mr. Skauge's shareholdings in the Corporation and given the amount of dividends paid on such shares, Mr. Skauge is motivated to maximize shareholder value and to increase dividends. As a significant portion of Mr. Skauge's personal wealth is attributed to such shareholdings, Mr. Skauge is incented to take a long-term approach to all risk assessments in order to protect his value as a shareholder. Further, Mr. Skauge's executive compensation package provides him with a long-term profit sharing arrangement with the Corporation. As such, Mr. Skauge is incented to take a more conservative approach to all risk-based assessments in order to protect the value of his shareholdings and the value of his long-term profit sharing arrangement.

Craig Skauge, Executive Vice President – The primary component of Mr. Craig Skauge's compensation package is his profit sharing arrangements and his monthly bonus arrangement for new accounts and his monthly cash payment based on total accounts administered. Given Mr. Skauge's age, the current number of accounts administered by the Corporation and the potential for account growth, the value of Mr. Skauge's compensation package is significant. As such, Mr. Craig Skauge is incented to take a more conservative approach to all risk based assessments in order to protect the value of his account administration payments. Lastly, as Mr. Craig Skauge reports to Mr. Rick Skauge, and Mr. Rick Skauge is incented to take a conservative approach to risk related decisions, it is unlikely that Mr. Rick Skauge would agree to allow Mr. Craig Skauge to take unnecessary risks as such risks would be contrary to Mr. Rick Skauge's personal interest.

Gerhard Barnard, Vice-President, Finance and CFO – Effective January 1, 2016, Mr. Barnard's only compensation component is a profit sharing arrangement equal to 4% of the Corporation's pre-tax earnings (minimum guarantee of \$350,000). However, Mr. Barnard has little ability to materially impact profitability as he is not involved in the actual operation of the operating units. As such, Mr. Barnard is not incented to take short-term risks as such risks would not likely provide him with any material benefit and may jeopardize his long-term profit sharing arrangement. Further, as Mr. Barnard reports to Mr. Skauge, and Mr. Skauge is incented to take a conservative approach to risk related decisions, it is unlikely that Mr. Skauge would agree to allow Mr. Barnard to take unnecessary risks as such risks would be contrary to Mr. Skauge's personal interest. Lastly, Mr. Barnard is a Chartered Professional Accountant and his conduct is governed by professional standards prescribed by Chartered Professional Accountants of Canada. It is unlikely that Mr. Barnard would be incented to take unnecessary risks and breach such professional standards as such conduct may impair his ability to act as a chief financial officer and such risk would not provide him with a material personal benefit (when compared to the potential damages he could suffer).

Lori Ryan, Vice-President, Registered Plans – The primary component of Ms. Ryan's compensation package is her profit sharing arrangements and her monthly bonus arrangement for new accounts and her monthly cash payment based on total accounts administered. Given Ms. Ryan's age, the current number of accounts administered by the Corporation and the potential for account growth, the value of Ms. Ryan's compensation package is significant. As such, Ms. Ryan is incented to take a more conservative approach to all risk based assessments in order to protect the value of her long-term profit sharing arrangement. Lastly, as Ms. Ryan reports to Mr. Skauge, and Mr. Skauge is incented to take a conservative approach to risk related decisions, it is unlikely that Mr. Skauge would agree to allow Ms. Ryan to take unnecessary risks as such risks would be contrary to Mr. Skauge's personal interest.

Derick Kachuik, Vice-President, Foreign Exchange – The primary component of Mr. Kachuik's compensation package is his profit sharing arrangements. Given Mr. Kachuik's age and the number of customers using the Corporation's foreign exchange services, the value of Mr. Kachuik's compensation package is significant. As such, Mr. Kachuik is incented to take a more conservative approach to all risk based assessments in order to protect the value of his long-term profit sharing arrangement. Lastly, as Mr. Kachuik reports to Mr. Skauge, and Mr. Skauge is incented to take a conservative approach to risk related decisions, it is unlikely that Mr. Skauge would agree to allow Mr. Kachuik to take unnecessary risks as such risks would be

contrary to Mr. Skauge's personal interest.

In addition to the above analysis, we submit that the Corporation's compensation packages involving profit sharing components promote prompt disclosure of all issues by executives as they are incented to focus on the long-term health of the business as opposed to pleasing the President to obtain a larger short-term bonus. That is, the Corporation's executives are incented to promptly discuss all risk and business issues with Mr. Skauge (President) and the Board without fear of punishment or a reduction of a discretionary bonus.

Incentive Plan Awards

The Corporation does not have any share or option based compensation plans.

Pension and Retirement Plans

The Corporation does not have any pension or retirement plan which is applicable to the Named Executive Officers. In lieu of a pension or a retirement plan, the Corporation provides certain termination benefits for the Named Executive Officers (see *Termination and Change of Control Benefits*).

Termination and change of control benefits

After certain Named Executive Officers cease to be full time executives with the Corporation, the Corporation has agreed to retain certain of the Named Executive Officers as consultants. Upon becoming a consultant and providing consulting services, the Named Executive Officers will be paid as follows:

- Tarman (Rick Skauge) will receive 50% of its current remuneration, for supplying the services of Rick Skauge as Chairman or Co-Chairman.
- Craig Skauge will receive compensation equivalent to 5% of the Registered Savings Plan Division's pre-tax earnings for a period of five (5) years from the date he becomes a consultant.
- Lori Ryan will receive compensation equivalent to 5% of the Registered Savings Plan Division's pre-tax earnings for a period of five (5) years from the date she becomes a consultant.
- Derick Kachuik will receive compensation for a period of five (5) years from the date he becomes a consultant in an amount equal to (a) plus (b) below:
 - (a) the lesser of: (i) twenty-five percent (25%) of the annual pre-tax operating profits for the Foreign Exchange Division for the fiscal year immediately preceding the change of role; or (ii) twenty-five percent (25%) of the annual pre-tax operating profits of the Foreign Exchange Division for each year of the consulting term following the change of role; and
 - (b) 12.5% of any pre-tax operating profits of the Foreign Exchange Division that exceeds the annual pre-tax operating profits of the Foreign Exchange Division for the fiscal year immediately preceding the change of role.

Gerhard Barnard's employment agreement provides that upon his termination by the Corporation, the Corporation shall pay Mr. Barnard severance equal to 9 months' salary and bonus.

Statement of Director Compensation

The Corporation had seven (7) directors, two (2) of which are also Named Executive Officers, as at December 31, 2015. Rick Skauge is the President and Chief Executive Officer of the Corporation and Craig Skauge is the Executive Vice President of the Corporation. Rick Skauge and Craig Skauge do not receive any compensation in their capacity as a directors of the Corporation and Tony Lanzl (as a significant shareholder) has declined his director compensation.

Director Compensation Summary

| NAME | FEES EARNED (\$) | SHARE-BASED AWARDS (\$) | OPTION-BASED AWARDS (\$) | NON-EQUITY INCENTIVE PLAN COMPENSATION (\$) | PENSION VALUE (\$) | ALL OTHER COMPENSATION (\$) | TOTAL (\$) |
|--------------------------------|------------------|-------------------------|--------------------------|---|--------------------|-----------------------------|------------|
| Brian Newman | 30,403 | Nil | Nil | Nil | Nil | Nil | 30,403 |
| Gerard Janssen | 29,340 | Nil | Nil | Nil | Nil | Nil | 29,340 |
| Alan Rice ⁽¹⁾ | 3,750 | Nil | Nil | Nil | Nil | Nil | 3,750 |
| Dennis Nerland ⁽¹⁾ | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Tony Lanzl ⁽²⁾ | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Lyle Oberg ⁽³⁾ | 13,557 | Nil | Nil | Nil | Nil | Nil | 13,557 |
| Randy Gregory ⁽³⁾ | 12,957 | Nil | Nil | Nil | Nil | Nil | 12,957 |
| Charles Chebry ⁽³⁾ | 11,836 | Nil | Nil | Nil | Nil | Nil | 11,386 |
| Laurie Yaworski ⁽³⁾ | 13,557 | Nil | Nil | Nil | Nil | Nil | 13,557 |
| Gary Seveny ⁽³⁾ | 13,557 | Nil | Nil | Nil | Nil | Nil | 13,557 |
| Jim Stout ⁽⁴⁾ | 3,600 | Nil | Nil | Nil | Nil | Nil | 3,600 |

NOTE:

- (1) Messrs. Nerland and Rice were appointed to the Board on October 9, 2015.
- (2) Mr. Lanzl was appointed to the Board on June 19, 2015. As Mr. Lanzl holds a significant number of Common Shares, he has declined to receive cash Board compensation.
- (3) Messrs. Oberg, Gregory, Chebry, Yaworski and Seveny ceased to be Directors of the Corporation on June 19, 2015.
- (4) Mr. Stout served as a Director of the Corporation from June 19, 2015 to September 8, 2015.

Narrative Discussion Relating to Director Compensation

In 2007, the Corporation implemented a policy of compensating outside directors, (being directors who are not also Named Executive Officers), a director's fee equal to 0.33% of the Corporation's pre-tax profits plus \$200 per hour for committee work. On November 13, 2015, the Board amended the independent Board remuneration to be the greater of \$6,250 or 0.33% of the Corporation's pre-tax earnings per quarter (plus \$200 per hour for all Committee time).

The Named Executive Officers who also act as directors of the Corporation do not receive any additional compensation for services rendered in their capacity as directors, other than as paid by the Corporation to such Named Executive Officers in their capacity as Named Executive Officers or employees of the Corporation. For a description of the compensation paid to the Named Executive Officers of the Corporation who also acted as directors of the Corporation during the financial year ended December 31, 2015, see "Executive Compensation Summary Table".

Outstanding Share-Based Awards and Option-Based Awards

The Corporation does not have any share or option based compensation plans.

Incentive Plan Awards - Value Vested or Earned During the Year

The Corporation does not have any share or option based compensation plans.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation's most recently completed financial year.

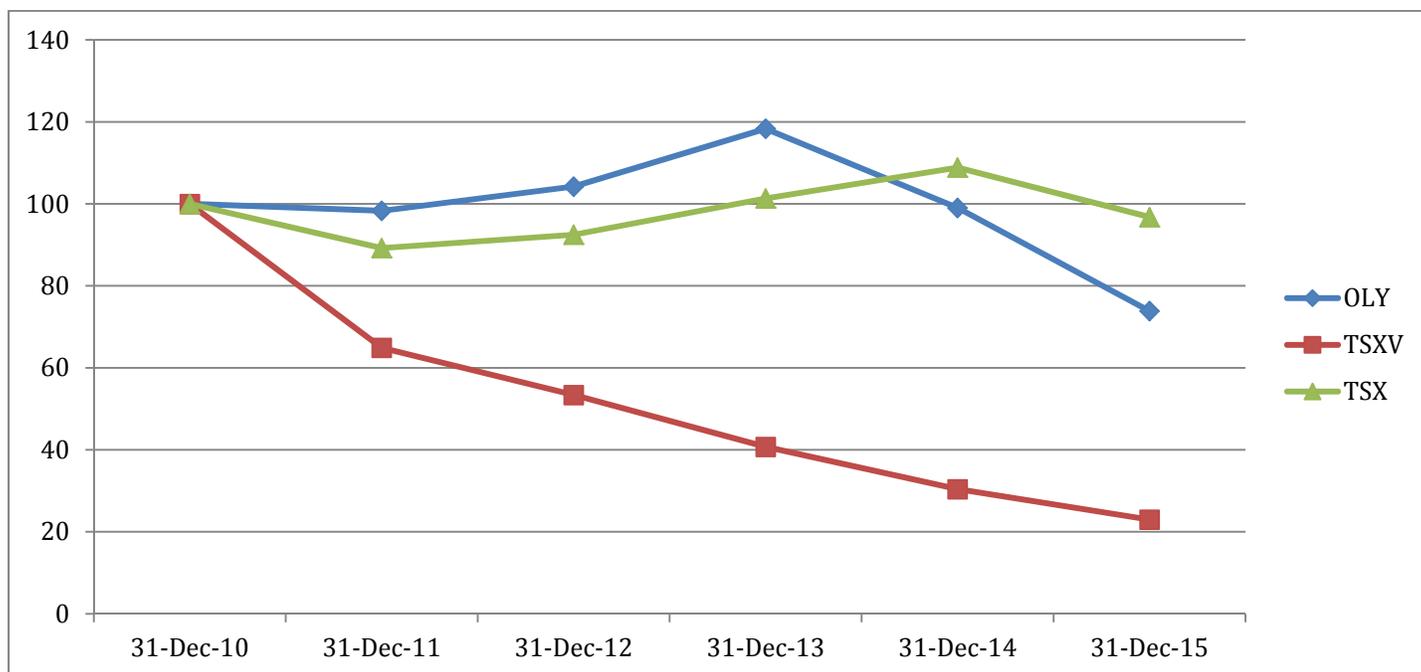
| PLAN CATEGORY | NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS | WEIGHTED AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS | NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN 1) ⁽¹⁾ |
|--|---|---|--|
| Equity compensation plans approved by security holders | Nil | Nil | Nil |
| Equity compensation plans not approved by security holders | Nil | Nil | Nil |
| Total | Nil | Nil | Nil |

Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to the Named Executive Officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full time employees) during the last completed fiscal year.

Performance Graph

The following performance graph compares the total cumulative return of a \$100 investment in the Corporation's Common Shares over the five (5) most recently completed financial years (with all dividends being reinvested in additional Common Shares on an annual basis) with the cumulative return on the S&P TSXV Composite Index and the S&P TSX Composite Index for the period beginning on December 31, 2010 and ended December 31, 2015. The Corporation's Common Shares ceased trading on the TSXV and commenced trading on the TSX effective September 9, 2013.



| DATE | S&P TSXV COMPOSITE INDEX | S&P TSX COMPOSITE INDEX | MARKET PRICE OF COMMON SHARES | DIVIDENDS PER SHARE PAID ON THE COMMON SHARES FOR PERIOD |
|-------------------|--------------------------|-------------------------|-------------------------------|--|
| December 31, 2010 | 2,287.85 | 13,443.22 | 40.50 | \$2.00 |
| December 31, 2011 | 1,484.66 | 11,995.09 | 39.00 | \$2.60 |
| December 31, 2012 | 1,221.30 | 12,433.53 | 40.00 | \$2.80 |
| December 31, 2013 | 931.97 | 13,621.55 | 40.50 | \$12.80 |
| December 31, 2014 | 695.53 | 14,632.44 | 33.00 | \$2.60 |
| December 31, 2015 | 525.66 | 13009.95 | 23.75 | \$2.60 |

Indebtedness of Directors, Executive Officers and Senior Officers

The following table sets out the aggregate indebtedness of all directors, executive officers, employees and former directors, executive officers and employees to the Corporation or any of its subsidiaries as at April 30, 2016:

| AGGREGATE INDEBTEDNESS | | |
|------------------------|--|-------------------|
| PURPOSE | TO THE CORPORATION OR ITS SUBSIDIARIES | TO ANOTHER ENTITY |
| Share Purchases | Nil | Nil |
| Other | \$500,000 ⁽¹⁾ | Nil |

NOTE:

- (1) On January 22, 2016, the Corporation advanced \$500,000 to Tarman Inc., a company controlled by the president and CEO, as a secured demand loan. The secured demand loan is scheduled for repayment on August 1, 2016, and accrues interest at 3.50% per annum.

No director or executive officer (or their associates) was indebted to the Corporation or its subsidiaries as at December 31, 2015.

Interests of Persons in Material Transactions

Other than as set forth herein or as previously disclosed, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or Named Executive Officer, proposed nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding fiscal year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

Corporate Governance

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Corporation. The Board of Directors is committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to disclose its corporate governance practices, as summarized below.

Board of Directors

The Board of Directors oversees the management of the business and affairs of the Corporation. The Board's mandate includes the adoption and implementation of the Corporation's strategies and plans. The Board reviews the results and performance of management's actions and plans. The Board evaluates management and assesses whether management has developed and maintained adequate information systems and controls and is fulfilling the Corporation's responsibilities for communications with its stakeholders.

The Board of Directors currently comprises seven (7) members, all of which are nominated for re-election at the meeting.

National Policy 58-201 Corporate Governance Guidelines (“**NP 58-201**”) suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and does not have any material relationship with the Corporation which could be reasonably expected to interfere with the exercise of the director’s independent judgment, other than interests and relationships arising from shareholding. Of the proposed director nominees, Brian Newman, Gerard Janssen, Alan Rice, Tony Lanzl and Dennis Nerland are considered by the Board of Directors to be “independent” within the meaning of NP 58-201. Rick Skauge and Craig Skauge, as current management, are considered to be “non-independent.”

The Board has a policy requiring that an *in camera* meeting of independent directors be held in connection with all Board meetings.

The Board has appointed Rick Skauge as Chairman. Based on the definition of “independent” in NP 58-201, Mr. Skauge is not considered “independent” as he is also the President and Chief Executive Officer of the Corporation. However, given the number of independent directors serving on the Board, the Board of Directors is comfortable with Rick Skauge acting as Chairman and does not feel that his serving as Chairman jeopardizes the board’s independence.

Board Mandate

The complete text of the mandate of the Board is attached as Exhibit "1" to this circular.

Position Descriptions

The Board has developed written position descriptions for the Board Chair and the Chair of each Board Committee.

A written position description has not been developed for the CEO of the Corporation. Given Rick Skauge is the CEO and President of the Corporation and the controlling shareholder of the Corporation, the Board believes that such a position description is not required in order to delineate Mr. Skauge’s role as CEO.

Directorships

The following proposed directors of the Corporation are also directors of other reporting issuers:

| DIRECTOR | OTHER REPORTING ISSUER |
|----------------|--|
| Rick Skauge | Eyelogic Systems Inc. Target Capital Inc. |
| Gerard Janssen | Target Capital Inc. |
| Brian Newman | Target Capital Inc. |
| Craig Skauge | Target Capital Inc. |
| Dennis Nerland | Acceleware Ltd. Avagenesis Corp. Avapecia Life Sciences Corp. Crew Energy Inc. Critical Control Solutions Corp. Granite Oil Corp. Manitok Energy Inc. Strata-X Enegy Ltd. |

Orientation and Continuing Education

When new directors join the Board, they are required to meet with management of the Corporation to discuss and better understand the Corporation’s business and will be advised by counsel to the Corporation of their legal obligations as directors of the Corporation. New directors are also provided with an information package containing pertinent information about the Corporation, including two years of Board minutes and five years of financial information.

Mr. Nerland, is a graduate of the Directors Education Program established by the Institute of Corporate Directors and holds an

ICD.D designation.

Ethical Business Conduct

The Board of Directors has established a Business Code of Conduct and periodically reviews this code. The Business Code of Conduct is applicable to directors, officers and employees of the Corporation. At present the Business Code of Conduct addresses the following issues:

- (a) conflicts of interest, including transactions and agreements in respect of which a director or executive officer has a material interest;
- (b) protection and proper use of the Corporation's assets and opportunities;
- (c) confidentiality of corporate information;
- (d) fair dealing with the Corporation's shareholders, customers, suppliers, competitors and employees;
- (e) compliance with laws, rules and regulations; and
- (f) reporting of any illegal or unethical behaviour.

The Corporation places the onus on directors and officers for self-governance and reporting in connection with the Business Code of Conduct.

In addition to the Business Code of Conduct, the Corporation has adopted a Disclosure and Insider Trading Policy and a Whistleblower Policy. The Business Code of Conduct, the Disclosure and Insider Trading Policy and the Whistleblower Policy are available to officers and employees the Corporation's intranet site. Should anyone wish a hard copy of any of these policies, they may be obtained on request from the Corporate Secretary at 2300, 125 – 9th Avenue SE, Calgary, Alberta, T2G 0P6.

As some of the directors of the Corporation also serve as directors and officers of other companies engaged in similar business activities, the Board of Directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

No material change reports have been filed by the Corporation during the 2015 fiscal year relating to a director's or executive officers departure from the Business Code of Conduct.

Nomination of Directors

The Corporate Governance Committee (comprised entirely of independent directors) is responsible for identifying new candidates for nomination to the Board and recommending them to the Board when appropriate. Upon there being a vacancy on the Board or a determination being made that the Board should be expanded, the President and the Corporate Governance Committee meet to review whether there are particular competencies needed by the Board and to set forth criteria in the selection process. Once a suitable candidate(s) is identified, the President and/or the Committee meet with the nominee(s) to discuss his or her interest and ability to devote sufficient time and resources to the position. If the nominee agrees to the appointment or to stand for election, he or she is presented to the Corporate Governance Committee. If the proposed nominee is acceptable to the Corporate Governance Committee, the Corporate Governance Committee then makes a recommendation to the Board.

Notwithstanding the above process, the Board changes that occurred in 2015 did not involve the Corporate Governance Committee. The 2015 Board changes were the result of Rick Skauge, as the controlling shareholder of the Corporation,

identifying individuals that were both Independent and that would commit to holding or acquiring significant shares of the Corporation to serve on the Board. Further, Mr. Skauge expressed a desire to reduce the number of directors to decrease the Board expenses for the Corporation.

Corporate Governance Committee

The Corporation has a Corporate Governance Committee currently comprised entirely of independent directors. The Corporate Governance Committee is currently comprised of Messrs. Newman (Chair), Janssen and Rice. The Corporate Governance Committee considers issues of corporate governance, nomination of new directors and effectiveness assessments.

Compensation Committee

The Corporation has a Compensation Committee that reviews and provides recommendations to the Board in respect of compensation matters relating to the Board and the President and Chief Executive Officer. The Compensation Committee is currently comprised entirely of independent directors, being Messrs. Newman (Chair), Janssen and Rice.

The Compensation Committee periodically reviews the adequacy and form of compensation to directors to ensure that the level of compensation reflects the responsibilities and risks involved in being an effective director and reports and makes recommendations to the Board accordingly.

No compensation consultant or advisor has, at any time since the beginning of the 2015 fiscal year, been retained to assist in determining compensation for any of the issuer's directors and officers.

Investment Committee

The Corporation has an Investment Committee that reviews and provides recommendations to the Board in respect of investment matters. The Investment Committee is currently comprised entirely of independent directors, being Messrs. Janssen (Chair), Newman and Rice.

Conduct Review Committee

The Corporation has a Conduct Review Committee that reviews transactions between the Corporation and restricted parties (as defined by the *Loan and Trust Corporations Act (Alberta)*). The Conduct Review Committee is currently comprised entirely of independent directors, being Messrs. Newman (Chair), Janssen and Rice.

Other Board Committees

The Corporation has no other standing committees at this time other than the Audit, Corporate Governance, Investment, Compensation and Conduct Review Committee as discussed above.

Assessments

The Board has implemented a process for which the Corporate Governance Committee is responsible for assessing the effectiveness of the Board, its committees and the contribution of individual directors. The process is conducted annually and involves each Director completing an evaluation of their own performance, the performance of the Board as a whole and the performance of their peers. The results from these evaluations are then reviewed by the Corporate Governance Committee and summarized for the whole Board.

Director Term Limits and Other Mechanisms for Board Renewal

The Corporation has not adopted formal term limits or a formal retirement policy for its directors. The Corporation does not feel term limits are necessary in order to achieve Board renewal as the controlling shareholder, Rick Skauge, ensures the Board

is regularly renewed as evidenced by the Board changes contemplated at the meeting. Over the last 10 years, numerous changes have been made to the Board to bring new knowledge and experience to the Corporation as required. Further, the Corporation believes that setting term limits for directors may be counter-productive as some directors build more knowledge about the business of the Corporation over time. To have fixed term limits for directors could result in significant knowledge loss at the Board level to the detriment of shareholders. As such, the Corporation does not feel Board entrenchment is a risk that requires a formal policy.

Policies and Information Regarding the Representation of Women on the Board

The Board has not adopted a written policy relating to the identification and nomination of women directors, as it believes that the interests of the Corporation are best served by ensuring that new directors are identified and selected from the widest possible group of potential candidates, without any restrictions or preferences relating to gender or other criteria. The Board feels that having written policies governing the selection of Board nominees could unduly restrict the Board's ability to select the most capable candidates. The Corporation is committed to ensuring that its Board at all times has the required range of skills, knowledge, experience and perspectives to achieve its business objectives. Notwithstanding the above, the Corporation attributes much of its success to the many women it employs (and has employed) and is seeking to add a woman to the Board going forward once it identifies a candidate possessing the required skills and knowledge.

The level of representation of women on the Board is considered in identifying and nominating candidates for election or re-election to the Board but it is not a deciding factor for the reasons noted above. The Corporation would like to have a more gender diverse Board but it also needs to consider the cost of additional Board members and the additional value added.

The Corporation's position with respect to the representation of women in executive officer positions is the same as its position with respect to the representation of women on the Board. It believes that people should be hired and promoted based on their professional qualifications, accomplishments and merit. Accordingly the level of representation of women in executive officer positions is not considered in making executive officer appointments.

The Board has not adopted a target regarding women on the Board or in executive officer positions for the reasons set out above. The Board feels that adopting such a target could unduly restrict the Corporation's ability to identify and select the most qualified people.

The Corporation does not currently have any directors who are women but does have one executive officer that is a woman (representing 11% of all executive officers). Lori Ryan (Vice-President, RRSP) is an executive officer of the Corporation and is invited to attend and participate at all Board meetings. Further, Olympia's management group includes six (6) women, representing 36% of the management group.

Audit Committee

The information regarding the Corporation's audit committee as required by section 5.1 of National Instrument 52-110 is set forth in the Corporation's annual information form for the 2015 fiscal year under the heading "Audit Committee Information" and in Schedule "A" to the annual information form.

Matters to be Acted Upon at Meeting

To the knowledge of the Board of Directors of the Corporation, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

Report and Financial Statements

Craig Skauge

Calgary, Alberta, Canada
Executive Vice-President Olympia
Financial Group Inc. and Olympia
Trust Company
Non-Independent Director
Director Since: 2008
Age: 35

Mr. Skauge is the Executive Vice President of the Corporation. Mr. Skauge is also the President of Exempt Experts Inc., a private company providing certain exempt market securities services in Western Canada, and is President of the National Exempt Market Association, a not for profit society formed by industry participants as a networking, advocacy and educational resource for the exempt market.

2015 AGM Voting Results: Votes For – 780,268 (99.77%)
Votes Withheld – 1,803 (0.23%)

Board / Committee Participation **Fiscal 2015 Meeting Attendance**

Board of Directors 7/8 87.5%

Olympia Holdings **Other Public Board Directorships**

Common Shares: 5,361 Target Capital Inc.

Brian Newman

Chestermere, Alberta, Canada
Chartered Professional Accountant
Independent Director⁽²⁾
Director Since: 2004
Age: 65

Mr. Newman is a Chartered Professional Accountant and is the President of Brian Newman Professional Corporation, a public accounting firm.

2015 AGM Voting Results: Votes For – 780,537 (99.8%)
Votes Withheld – 1,534 (0.2%)

Board / Committee Participation **Fiscal 2015 Meeting Attendance⁽³⁾**

Board of Directors 8/8 100%

Audit Committee (Chair) 4/4 100%

Corporate Governance Committee
(Chair) 2/3 66%

Compensation Committee (Chair) 2/4 50%

Investment Committee 2/4 50%

Conduct Review Committee (Chair) 4/4 100%

Olympia Holdings **Other Public Board Directorships**

Common Shares: 7,058 Target Capital Inc.

Gerard Janssen

Calgary, Alberta, Canada
CFO of Response Energy
Corporation
Independent Director⁽²⁾
Director Since: 2010
Age: 51

Mr. Janssen is the Vice President, Finance and Chief Financial Officer of Response Energy Corporation, a private oil and gas exploration company. Mr. Janssen is also a Certified Management Accountant.

2015 AGM Voting Results: Votes For – 779,570 (99.68%)
Votes Withheld – 2,501 (0.32%)

Board / Committee Participation **Fiscal 2015 Meeting Attendance⁽⁴⁾**

Board of Directors 8/8 100%

Audit Committee 4/4 100%

Corporate Governance Committee 2/3 66%

Compensation Committee 2/4 50%

Conduct Review Committee 4/4 100%

Investment Committee (Chair) 4/4 100%

Olympia Holdings **Other Public Board Directorships**

Common Shares: 2,700 Target Capital Inc.

Alan Rice

Mr. Rice is a Chartered Professional Accountant with Rice & Company LLP.

Kimberly, British Columbia
Chartered Professional Accountant
Independent Director⁽²⁾
Director Since: 2015
Age: 36

| | |
|--|---|
| 2015 AGM Voting Results: | Not applicable. |
| Board / Committee Participation | Fiscal 2015 Meeting Attendance⁽⁵⁾ |
| Board of Directors | 2/8 25% |
| Audit Committee | 1/4 25% |
| Corporate Governance Committee | 1/3 33% |
| Compensation Committee | 1/4 25% |
| Investment Committee | 1/4 25% |
| Conduct Review Committee | 1/4 25% |
| Olympia Holdings | Other Public Board Directorships |
| Common Shares: Nil | None |

Anthony Lanzl

Mr. Lanzl is the President of Smile Denture Clinic. Mr. Lanzl was previously a director of the Corporation from 2003 to 2011.

Chestermere, Alberta,
Independent Businessman
Independent Director⁽²⁾
Director Since: 2003-2011; 2015
Age: 56

| | |
|--|--|
| 2015 AGM Voting Results: | Votes For – 780,288 (99.77%) Votes Withheld – 1,783 (0.23%) |
| Board / Committee Participation | Fiscal 2015 Meeting Attendance⁽⁶⁾ |
| Board of Directors | 5/8 62.5% |
| Olympia Holdings | Other Public Board Directorships |
| Common Shares: 89,994 ⁽⁶⁾ | None |

Dennis Nerland

Mr. Nerland is a partner with the Calgary-based tax and business law firm Shea Nerland LLP.

Calgary, Alberta,
Partner, Shea Nerland LLP
Independent Director⁽²⁾
Director Since: 2015
Age: 63

| | |
|--|---|
| 2015 AGM Voting Results: | Not applicable |
| Board / Committee Participation | Fiscal 2015 Meeting Attendance⁽⁷⁾ |
| Board of Directors | 2/8 (25%) |
| Olympia Holdings | Other Public Board Directorships |
| Common Shares: 4,000 | Acceleware Ltd. Arkadia Capital Corp. Avagenesis Corp. Crew Energy Inc. Critical Control Solutions Corp. Dee Three Exploration Ltd. Manitok Energy Rosa Capital Inc. |

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- Notes:**
- (1) Of the 753,798 Common Shares controlled by Mr. Skauge, 89,342 Common Shares are held personally; 13,324 Common Shares are held by his spouse; 55,200 Common Shares are held by Target Capital Inc. (a company controlled by Mr. Skauge); 109 Common Shares are held by Exempt Experts Inc. (a company controlled by Mr. Skauge); 3,200 Common Shares are held by Read Brandon Inc. (a company controlled by Mr. Skauge) and 592,623 are held by Tarman Inc. (a company controlled by Mr. Skauge).
 - (2) Independence is based on the definitions contained in National Instrument 52-110, National Instrument 58-101 and National Policy 58-201. Each year and upon appointment all independent directors complete an independence questionnaire to assess, or re-assess, their status as independent directors.

- (3) Mr. Newman was appointed to the Investment Committee, Corporate Governance Committee and Compensation Committee on June 19, 2015 whereby he did not attend such committee meetings prior to such date.
- (4) Mr. Janssen was appointed to the Corporate Governance Committee and Compensation Committee on June 19, 2015 whereby he did not attend such committee meetings prior to such date.
- (5) Mr. Rice was appointed to the Board of Directors, Audit Committee, Investment Committee, Corporate Governance Committee, Compensation Committee and Conduct Review Committee on October 9, 2015 whereby he did not attend Board or committee meetings prior to such date.
- (6) Mr. Lanzl was appointed to the Board of Directors on June 19, 2015 whereby he did not attend Board meetings prior to such date. Of the 89,994 Common Shares controlled by Mr. Lanzl, 7,020 Common Shares are held personally; 307 Common Shares are held by his daughter; 5,060 Common Shares are held by Bijan's Western Flooring Ltd. (a company controlled by Mr. Lanzl); 77,176 Common Shares are held by Smile Denture Clinic (a company controlled by Mr. Lanzl); 400 Common Shares are held by Western Flooring Centre Ltd. (a company controlled by Mr. Lanzl); and 31 Common Shares are held by Ted Moore Holdings Ltd. (a company controlled by Mr. Lanzl).
- (7) Mr. Nerland was appointed to the Board of Directors on October 9, 2015 whereby he did not attend Board meetings prior to such date.

The information as to Common Shares owned directly or indirectly by each nominee, not being within the knowledge of the Corporation, has been furnished by the nominee.

Director Election Policy

Under Canadian corporate law, director elections are based on the plurality system, where shareholders vote "for" or "withhold" their votes for a director. Votes withheld are not counted, with the result that, technically, a director could be elected to the board with just one vote in favour. The Board of Directors believes that each of its members should have the confidence and support of the shareholders of the Corporation. The directors unanimously adopted a Director Election Policy (the "Director Election Policy") and each of management's nominees for election to the Board at the Meeting has agreed, and all future nominees will be required to agree, to abide by it. The Director Election Policy provides that if a director receives more "withhold" votes than "for" votes the remaining directors will be required to promptly determine whether such director should be asked to tender his or her resignation from the Board. Factors to be considered in making such determination would include the Board's understanding of the rationale for the withhold votes, whether the director in question possesses particular skills or experience that would be difficult to replace within a reasonable period of time, any management positions held by such director and such director's equity holdings in Olympia. The decision of the remaining directors will be disclosed to the public. In addition, even if all directors do receive a majority of "for" votes, the Board will nonetheless as part of its annual process of assessing director nominees, consider the "for" and withhold" votes that each director received (and the circumstances relating to such voting results) in determining whether to nominate those individuals for re-election at the next annual general meeting of Shareholders.

Subject to any corporate law restrictions, if a resignation is accepted, the board of directors may: (i) leave the resultant vacancy unfilled until the next annual general meeting, (ii) fill the vacancy through the appointment of a new director whom the board considers to merit the confidence of the shareholders; or (iii) call a special meeting of shareholders at which meeting the proposed nominees to fill the vacant position or positions will be presented to the shareholders for election.

This policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of nominees to be elected.

Cease Trade Orders

None of the above proposed directors, as at the date of this Management Information Circular, or within 10 years before the date of this Management Information Circular, has been, a director, chief executive officer or chief financial officer of any company, that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trader order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or

chief financial officer.

Bankruptcies

Except as set out below, no proposed director of the Corporation:

- (a) is as at the date of this Management Information Circular, or has been within the 10 years before the date of this Management Information Circular, a director or executive officer of any company 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 10 years before the date of the Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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.

Mr. Dennis Nerland, a director of the Corporation, was appointed as a director of Alston Energy Inc. ("Alston") on July 17, 2012. On December 9, 2013, Alston filed for protection under the Companies' Creditors Arrangement Act (Canada). On May 6, 2014 and May 8, 2014, the common shares of Alston were cease traded by the Alberta Securities Commission and the British Columbia Securities Commission, respectively, as a result of the failure by Alston to file audited annual financial statements and the related management discussion and analysis for the year ended December 31, 2013. On May 9, 2014, Alston announced that a receiver had been appointed by the Court of Queen's Bench of Alberta, at which time Mr. Nerland resigned from Alston's board of directors.

Penalties and Sanctions

No proposed director of the Corporation has been subject to:

- (a) any 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) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Appointment of Auditor

The Corporation's Bylaws provide that the auditors of the Corporation will be selected at each annual meeting of shareholders. Accordingly, shareholders will consider an ordinary resolution to appoint the firm PricewaterhouseCoopers LLP, Chartered Accountants, Calgary, Alberta as auditors for the Corporation, to hold office until the next annual meeting of shareholders or until they are removed or they resign from office, at a remuneration to be determined by the directors of the Corporation. PricewaterhouseCoopers LLP has been the Corporation's auditor since 2008.

Other Matters

While there is no other business other than that mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

Additional Information

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. A shareholder may contact the Corporation at 2300, 125 – 9th Avenue S.E. Calgary, Alberta, T2G 0P6 (Attention: Gerhard Barnard) to obtain a copy of the Corporation's most recent financial statements and management's discussion and analysis.

Board Approval

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

Dated this 9th day of May, 2016.

(Signed) "*Rick Skauge*"
Rick Skauge
President, Chief Executive Officer and Director

Exhibit 1 - BOARD OF DIRECTORS CHARTER

ROLE OF THE BOARD OF DIRECTORS

The role of the Board of Directors (the “Board”) of Olympia Financial Group Inc. and Olympia Trust Company (collectively referred to herein as the “Corporation”) is to oversee, manage, and supervise the management of, directly and through its committees, the stewardship of the business and affairs of the Corporation, which are conducted by its officers and employees under the direction of the President. In doing so, the Board acts at all times with a view to the best interests of the Corporation, its shareholders and its stakeholders.

PURPOSE OF BOARD

The Board is responsible for providing stewardship and management oversight for the business and affairs of the Corporation. The Board’s key responsibilities include:

- Ensure management is qualified and competent;
- Review and approve organizational and procedural controls;
- Ensure principal risks are identified and appropriately managed;
- Review and approve policies and procedures for the Corporation’s major activities;
- Review and approve strategic plans; and
- Provide for an independent assessment of management controls.

The Board is elected by the Corporation’s shareholders to oversee management, with the objective of advancing the best interests of the shareholders by enhancing shareholder value in a manner that recognizes the concerns of other stakeholders in the Corporation, including its employees, suppliers, customers and the communities in which it operates.

COMPOSITION

In accordance with Part 6 of the Alberta *Loan and Trust Corporations Act*, the Corporation shall not have fewer than five Directors, at least two of whom are not officers or employees of the Corporation. The Corporation’s Articles of Incorporation provides that the Corporation shall not have more than fifteen Directors.

The Board will create Committees to fulfill its strategic oversight responsibilities and delegate certain oversight functions as set out in their respective Charters. The Committee Charters are reviewed on a regular basis and are updated and amended as needed in response to the evolving regulatory environment in which the Corporation operates.

DIRECTOR CHARACTERISTICS

Each Director of the Corporation, in exercising powers and in discharging duties’

- (a) shall act honestly and in good faith with a view to the best interests of the Corporation, and
- (b) shall exercise the care, due diligence and skill that a reasonably prudent person would exercise under comparable circumstances.

Each Director serves the Corporation by supervising the management of the business and affairs of the Corporation in a manner that:

- meets the highest ethical and fiduciary standards;
- demonstrates independence from management (except for the non-independent Directors);
- is knowledgeable and inquisitive about the issues facing the Corporation;
- applies good sense and sound judgment to help make wise decisions; and
- displays commitment through attendance at, preparation for and participation in meetings.

Each Director should possess the following characteristics and traits necessary to execute their duties and responsibilities:

Accountability

Each Director, as a member of the Board and one or more of its committees, works with fellow Directors to fulfill the specific duties of the Board and its committees contained in their respective charters. Each Director shall regard himself as accountable to the shareholders as a whole, not to any specific individual or group of shareholders. The Director serves the long-term interests of shareholders by ensuring that management appropriately addresses the concerns of other stakeholders, such as employees, customers, communities, regulators and the public at large.

Integrity

Each Director shall possess the highest personal and professional integrity. Each Director shall meet their fiduciary duty to act honestly and in good faith with a view to the best interests of the Corporation and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Each Director shall avoid potential and actual conflicts of interest that are incompatible with service as a Director. Each Director shall comply with applicable policies of the Corporation, including the Code of Conduct and Ethics policy, and shall keep confidential any information about the Corporation that has not been generally disclosed to the public.

Independence

Each Director must understand that the Board needs to be able to operate independently of management in order to be effective. The non-management Directors should strive to meet the standards for independence from management as established pursuant to the Corporation's Corporate Governance Policy. Each Director must understand that independence requires more – it requires preparation for meetings, understanding the issues, strength, integrity and an inquiring mind. Each Director shall bring an objective perspective to the deliberations of the Board and its Committees.

Involvement

Each Director shall continuously deepen his knowledge of the business of the Corporation and relevant trends in business and industry, both inside and outside of board meeting time, where appropriate having direct links to stakeholders. Each Director has an important role as an ambassador of the Corporation, but should not speak on behalf of the Corporation without appropriate authority.

Contribution

Each Director shall apply informed and seasoned judgment to each issue that arises and expresses opinions, asks further questions and makes recommendations that the Director thinks are necessary or desirable. Each Director will act directly, not by proxy, either in person or sometimes by written resolution. Each Director has an equal say with each of the other Directors.

Commitment

Each Director shall prepare for and attend, where possible, all scheduled meetings of the Board and applicable committees. The Corporation does not restrict the number of public company Boards that a Director may serve on; however, each Director must ensure that they devote sufficient time to carry out the Director's duties effectively.

Financial Literacy

It is expected that each Director will demonstrate a sound level of financial literacy including the ability to understand financial statements and the use of financial metrics (financial ratios and other indices) to evaluate the financial health and performance of the Corporation.

Judgment

Each Director must demonstrate the capacity to provide sound advice on a broad range of industry and community issues. Each Director must demonstrate and continue to demonstrate a high level of achievement in their personal and professional life that reflects high standards of personal and professional conduct.

Communication Skills

Each Director must be open to others' opinions and be willing to listen, take the initiative to raise tough questions and to encourage open discussion and have the ability to communicate persuasively, assertively and logically.

INDEPENDENT FUNCTIONING OF BOARD AND COMMITTEES

The Board is responsible for establishing the appropriate policies and procedures to enable the Board, its Committees and individual Directors to function independently of management to the extent considered necessary or desirable by Directors. The Board must ensure that a majority of the Corporation's Directors have no direct or indirect material relationship with the Corporation and determine who, in the reasonable opinion of the Board, are independent pursuant to applicable legislation, regulation and listing requirements. Except for Board and committee remuneration, the independent Directors shall not accept any consulting, advisory or other compensation fees from the Corporation. The Board and each Committee has the ability to retain and terminate independent professionals, as well as the sole authority to approve all fees payable to such independent professionals.

Each Committee and the Board can conduct all or part of any meeting in the absence of management, and it is each Committee's and the Board's policy to include such a session on the agenda of each regularly scheduled meeting. In the event the Board is constituted with one or more non-independent Directors, any independent Director may request the non-independents to be excluded from any session.

Each Committee chair can also require the Corporate Secretary to convene a meeting of the Board or a Committee to be held in the absence of management and/or non-independent Directors or to reserve an agenda item at any Board or Committee meeting for business to be conducted in the absence of management. Each Director can request such a meeting or reserved agenda item by contacting a Committee chair.

MEETING

The Board shall meet as frequently as circumstances dictate or at any additional time as deemed necessary in compliance with regulatory requirements, as scheduled by the Chairperson of the Board in conjunction with the President and the Corporate Secretary.

For all regularly scheduled meetings, each Director shall be sent notice of such meeting (by mail or email) at least 10 days prior to the date of such meeting. Further, each Director shall be provided (by mail or email) a draft agenda for each Board meeting and such other documents for consideration at least 5 days before the date of the meeting to permit meaningful review by the Directors. For special meetings of the Board, best efforts are made to distribute materials to the Directors as far in advance as practicable.

Phone attendance is acceptable if the Director is out of town.

For any meeting at which the appointed Chair is not present, the Chair of the meeting shall be any person present who shall be decided upon or elected by a majority of Directors present.

DUTIES, RESPONSIBILITIES AND EXPECTATIONS OF THE BOARD

In furtherance of its purpose, the Board assumes the following specific duties and responsibilities, some of which are initially reviewed and recommended by the applicable Committee of the Board to the full Board for approval to fulfill its stewardship responsibilities:

“Tone at the Top”

The Board is responsible for setting the tone and for promoting a culture of integrity and compliance throughout the Corporation and, in that regard, expects the highest level of personal and professional integrity from the President and other executive officers of the Corporation. The Board is responsible for overseeing the establishment of such a culture through appropriate mechanisms, including assessing the President against this expectation; and overseeing policies in respect of ethical personal and business conduct (including the Corporation's Code of Conduct and Ethics) with the purpose of promoting integrity and deterring wrongdoing by Directors, senior executive officers and employees.

Strategic Planning

The Board is responsible for providing oversight of the strategy and fundamental goals of the Corporation including all aspects of its undertaking. This responsibility includes the review and adoption of a strategic planning process; and considering and approving on a continuous basis the strategic alternatives and plans presented by management. This process includes assessment of the major opportunities and risks of the Corporation; oversight of the implementation of strategic plans; and monitoring performance against such plans. The responsibility also includes reviewing and approving all major strategy and policy recommendations including specific requests for major capital expenditures. This function requires all Directors to have an understanding of the opportunities and risks associated with the current business and knowledge of the emerging trends and competitive environment of the industry that the Corporation operates in.

Risk Management

The Board is responsible for ensuring that the appropriate policies and procedures are in place to protect the assets of the Corporation and to assure its viable future. The Board is also responsible for assisting management in identifying and assessing the principal risks of all aspects of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks. On an annual basis, the Board shall review management's assessment of the Corporation's risk profile and performance, as well as review management's assessment of the material risks associated with the Corporation's business and operations and review the systems implemented by management to manage these risks.

Internal Controls

The Board is responsible for overseeing and monitoring the integrity of the Corporation's internal controls and audit procedures, and overseeing the appropriate operation of the Corporation including compliance with all applicable regulatory requirements through financial and other management information systems, and appropriate inspection, compliance and control systems. The Board must satisfy itself that the financial reporting and financial control systems are operating efficiently and effectively.

Communications Policy

The Board is responsible for establishing a communications policy for the Corporation and overseeing the maintenance of effective shareholder relations through the Corporation's communications policy so that accurate and timely information is disseminated to and monitored feedback is accommodated from shareholders.

Director Orientation and Assessment

The Board is responsible for ensuring there is an appropriate, formal orientation program for new Directors including continuing education opportunities for all Directors and for assessing the contribution of the Board, its committees, and all Directors annually.

Evaluation, Compensation and Succession Planning

The Board is responsible for overseeing the effective operation of the Corporation, including assessing annually the effectiveness and contribution of the Board. The Board must satisfy itself that senior management and other responsible persons have the appropriate qualities and competencies to meet the expectations set forth by the Board and regulators, including, to the extent possible, satisfying itself as to the integrity of the President, and as to the President's effectiveness in fostering a culture of integrity and compliance throughout the Corporation.

The Board annually reviews and approves the adequacy and form of compensation of Directors. The Board is responsible for the succession planning for all senior executive officers.

General

The Board is responsible for monitoring the effectiveness of the Corporation's corporate governance practices and approving any necessary changes, as required. The Board is responsible for developing the Corporation's approach to, and disclosure of, corporate governance practices (which includes setting out the Board's expectations and responsibilities of individual Directors).

The Board is responsible for establishing general corporate policies and performing other tasks required by law. This includes the Board reviewing the adequacy of the Corporation's processes to ensure compliance by the Corporation with applicable legal, legislative and regulatory requirements.

Resignation by Director

The Board Chairperson will review any submitted resignation with the Corporate Governance Committee.

BOARD CHAIR

Appointment

The Board shall appoint its Chair from among the Corporation's Directors.

Specific Duties and Responsibilities

The Board Chair leads the Board in all aspects of its work and is responsible to effectively manage the affairs of the Board and ensure that the Board is properly organized and functions efficiently. The Board Chair advises the members of the Board in all matters concerning the interests of the Board and the relationships between management personnel and the Board.

More specifically, the Board Chairperson shall among other things:

A. Leadership

- Provide leadership to enable the Board to act effectively in carrying out its duties and responsibilities as described in the Board Charter and as otherwise may be appropriate; and
- Provide leadership to the Board in the execution of its responsibilities.

B. Board structure and management

- Chair the Board meetings;
- In consultation with the President and the Chairs of the Committees of the Board, as appropriate, determine the frequency, dates and locations of meetings of the Board, of Committees of the Board, and of the shareholders;
- In consultation with the President, review the meeting agendas to ensure that all required business is brought before the Board to enable it to efficiently carry out its duties and responsibilities;
- Ensure the Board has the opportunity, at each regularly scheduled meeting, to meet separately without non-independent Directors and management personnel present;
- Ensure, in consultation with the Chairs of the Committees of the Board, that all items requiring Board and Committee approval are appropriately tabled;
- Ensure the proper flow of information to the Board; and
- In conjunction with the relevant Committee of the Board (and its Chair), review and assess the Director's meeting attendance records and the effectiveness and performance of the Board, its Committees (and their Chairs) and individual Directors.

C. Representation of Shareholders

- Chair the annual, and any special meeting, of the shareholders, be available for questions and participate in any other manner as required; and
- Ensure that all business that is required to be brought before a meeting of shareholders is brought before such meeting. This will include responding to all shareholder concerns regarding governance issues or other Board related issues.

D. Other

- Carry out special assignments or other functions as requested by the Board;
- Provide feedback and input to Committee Chairs on governance and other matters;
- Be knowledgeable of corporate governance practices, stay abreast of developments in corporate governance practices and lead the adoption of “best practices” where appropriate; and

Be willing to take a stand, even if it is contrary.