

**UNIQUE BROADBAND SYSTEMS, INC.**

**NOTICE OF MEETING AND  
MANAGEMENT INFORMATION CIRCULAR  
for the  
SPECIAL MEETING OF SHAREHOLDERS  
to be held on May 4, 2015**



March 24, 2015

Dear Shareholder:

We wish to extend to you, on behalf of the Board of Directors and management of Unique Broadband Systems, Inc. (“UBS” or the “Corporation”), an invitation to attend the Corporation’s Special Meeting of Shareholders (the “Meeting”).

As indicated in the accompanying Notice, the Meeting will be held at 1 First Canadian Place, 100 King Street West, Suite 1600, Toronto Ontario on May 4, 2015 at 10:30 a.m. (Toronto time).

This Meeting is very important and requires your attention. For the past several years, UBS has been operating within, and subject to, proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “CCAA”). UBS has now successfully dealt with all of the claims of its creditors within the CCAA proceedings and soon will be emerging out from under the CCAA proceedings as a clean shell company with a very small amount of cash (if any) and an 11.7% economic interest in ONEnergy Inc. (“ONEnergy”) (formerly Look Communications Inc.).

At the Special Meeting, shareholders will be asked to determine the future of UBS by electing a new board of directors.

Two shareholders, Mr. Robert Ulicki and Mr. Alex Dolgonos, have each expressed an interest in appointing a new board of directors who will assume responsibility for directing UBS’ post-CCAA business.

Your current board of directors received plans for the Corporation’s post-CCAA business from Mr. Dolgonos and Mr. Ulicki. In short, Mr. Ulicki desires to distribute the ONEnergy shares to shareholders and seeks to finance and manage the Corporation as an alternative leveraged investment vehicle. Mr. Dolgonos proposed to retain the ONEnergy shares within UBS and complete a potential reverse takeover transaction with a medical diagnostics company. The board found that it was unable to clearly recommend one plan over the other for a number of reasons, including an assessment of the obstacles that might hinder the Corporation in pursuing and completing either proposal within the CCAA proceedings in light of the Corporation’s financial resources. As a result, the board decided to pursue a course of action that will, among other things, facilitate in a neutral fashion an orderly transition to a new board of directors who will, in turn, direct the future business of UBS following its imminent exit from the CCAA proceedings.

Details regarding the proposed board nominees and other relevant information are contained in the management information circular that has been prepared in connection with this Meeting. We urge you to review these materials and to then plan to attend the Meeting on May 4, 2015. If you are not able to be present in person at the Meeting, please complete, date, sign and return your proxy form so that your shares will be represented at the Meeting.

The management information circular can be found under the UBS profiles at [www.sedar.com](http://www.sedar.com) and [www.duffandphelps.com](http://www.duffandphelps.com) as well as on the Corporation’s website at [www.uniquebroadband.com](http://www.uniquebroadband.com).

If you wish to receive paper copies of the Meeting materials, you may request copies by calling toll-free in North America at 1-866-393-4891. Meeting materials will be sent to shareholders at no cost to them within three business days of their request, if such requests are made by April 23, 2015.

Thank you for participating in the future of UBS.

Yours very truly,

“Victor Wells”

Victor Wells  
Chairman

**UNIQUE BROADBAND SYSTEMS, INC.**

**NOTICE OF THE SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MAY 4, 2015.**

**NOTICE IS HEREBY GIVEN THAT** a Special Meeting of Shareholders (the “Meeting”) of Unique Broadband Systems, Inc. (the “Corporation”) will be held:

Place: 1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto, Ontario, M5X 1G5

Date: May 4, 2015

Time: 10:30 a.m.

The purposes of the Meeting are:

1. To consider and, if deemed advisable, to pass the Shareholder proposals that the Corporation has received including with respect to:
  - a) the election of three directors from any of the three candidates nominated by Mr. Robert Ulicki and the three candidates nominated by Mr. Alex Dolgonos; and
  - b) a consolidation of the Corporation’s common shares, such share consolidation to be implemented at the discretion of the Corporation’s board of directors following the Meeting; and
2. To transact such other business as may properly be brought before the Meeting.

As described in the notice-and-access notification mailed to Shareholders, the Corporation has decided to deliver the Meeting materials to Shareholders by posting the Meeting materials on its website ([www.uniquebroadband.com](http://www.uniquebroadband.com)) and the website of Duff & Phelps Canada Restructuring Inc., the Monitor in the Corporation’s proceedings under the *Companies’ Creditors Arrangement Act* (Canada) ([www.duffandphelps.com](http://www.duffandphelps.com)). The use of this alternative means of delivery is more environmentally friendly as it will help reduce the use of paper and it will also reduce the Corporation’s printing and mailing costs. The Meeting materials will be available on the Corporation’s website and the Monitor’s website as of April 2, 2015, and will remain on those websites for one full year thereafter. The Meeting materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com) as of April 2, 2015.

All Shareholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting.

Shareholders who wish to receive paper copies of the Meeting materials may request copies from the Corporation by calling toll-free in North America at 1-866-393-4891. Meeting materials will be sent to such Shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting.

The directors of the Corporation have by resolution fixed the close of business on March 25, 2015 as the record date for the determination of Shareholders entitled to receive notice of and vote at the Meeting or any adjournments thereof.

Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign, and return the enclosed form of proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting. Proxies to be used at the Meeting must be deposited with TMX Equity Transfer Services Inc., 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 prior to 5:00 p.m. (Toronto time) on April 30, 2015.

DATED at Toronto, Ontario

March 24, 2015

BY ORDER OF THE BOARD OF DIRECTORS

“Victor Wells”  
Chairman

## UNIQUE BROADBAND SYSTEMS, INC.

### MANAGEMENT INFORMATION CIRCULAR

#### PART 1 - SOLICITATION OF PROXIES BY MANAGEMENT

**This Management Information Circular is furnished in connection with the solicitation by the management of Unique Broadband Systems, Inc. (the “Corporation”) of proxies to be used at the Special Meeting of Shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set out in the Notice of Meeting.** The solicitation will be made solely by mail and by posting the Meeting materials on the Corporation’s website and the website of Duff & Phelps Canada Restructuring Inc. (the “CCAA Monitor”). The total cost of solicitation of proxies will be borne by the Corporation. Except as otherwise stated, the information contained herein is given as of March 24, 2015.

#### APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors or legal representatives of the Corporation. A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy. **A shareholder who wishes to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.** Where the shareholder is a corporation, the form of proxy must be executed by an individual duly authorized to represent the corporation.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. **The revocation of a proxy, in order to be acted upon, must be deposited with TMX Equity Transfer Services Inc., 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 prior to 5:00 p.m. (Toronto time) on April 30, 2015 or, in the case of any adjournment of the Meeting, by no later than 5:00 p.m. (Toronto time) on the business day immediately preceding the date of such adjourned Meeting.**

#### NOTICE-AND-ACCESS

In November 2012, the Canadian Securities Administrators announced the adoption of regulatory amendments to securities laws governing the delivery of proxy-related materials by public companies. As a result, public companies are now permitted to advise their shareholders of the availability of all proxy-related materials on an easily-accessible website, rather than mailing physical copies of the materials.

The Corporation has decided to deliver the Meeting materials to Shareholders by posting the Meeting materials on its website ([www.uniquebroadband.com](http://www.uniquebroadband.com)) and the website of the CCAA Monitor ([www.duffandphelps.com](http://www.duffandphelps.com)). The Meeting materials will be available on the Corporation’s website and the website of the CCAA Monitor as of April 2, 2015 and will remain on those websites for one full year thereafter. The Meeting materials will also be available on SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders who wish to receive paper copies of the Meeting materials may request copies from the Corporation by calling toll-free in North America at 1-866-393-4891. Meeting materials will be sent to such Shareholders at no cost to them within three business days of their request, if such requests are made before the Meeting.

All Shareholders will receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting materials in advance of the Meeting (the “Notice-and-Access Materials”).

#### EXERCISE OF DISCRETION BY PROXIES

Instructions with respect to voting will be respected by the persons designated in the enclosed form of proxy. The persons named in the enclosed form of proxy by management of the Corporation will be provided with limited discretion such that, where a designating Shareholder clearly instructs the person designated by management in such form of proxy to vote such proxy in accordance with all of the proposed directors nominated by one or the other of the nominating Shareholders, the person designated by management to exercise the proxy will vote such proxy in alignment with the applicable nominating Shareholder where such alignment can be reasonably determined with respect to amendments or variations to matters

identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing this Management Information Circular, management of the Corporation knows of no such amendments, variations or other matters. A proxy for which no voting instructions are provided will not be voted by the management designated proxies. Where a person is named in the form of proxy who has not been designated by management of the Corporation, such person shall vote in their discretion with respect to amendments or variations to matters identified in the Notice of Meeting, with respect to other matters which may properly come before the Meeting and with respect to proxies for which no voting instructions are provided.

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

None of the directors or senior officers of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

### **SHARES**

As of March 24, 2015, there were 102,747,854 Common Shares (the “Common Shares”) and no Class A Non-Voting Shares (the “Class A Shares”) of the Corporation issued and outstanding. The holders of Common Shares are entitled to one vote for each share held of record on all matters to be voted on by such holders. The Class A Shares do not entitle the holders thereof to vote. According to the Corporation’s Articles, a holder of Class A Shares shall have the right, at his or her option, to convert such Class A Shares into Common Shares on a one-for-one basis if such holder provides to the Corporation written evidence satisfactory to the Corporation that: (a) beneficial ownership and control of the Class A Shares is exercised, directly or indirectly, exclusively by one or more Canadians (within the meaning set out in the Corporation’s Articles); and (b) the acquisition by such holder of all Class A Shares held by it was effected in conformity with the Corporation’s Articles.

The Corporation has fixed March 25, 2015 as the record date (the “Record Date”) for the purpose of determining shareholders entitled to receive notice of and to vote at the Meeting. Pursuant to the *Business Corporations Act* (Ontario), the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to receive notice of and to vote at the Meeting that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during normal business hours at the head office of the Corporation and at the Meeting or at the place where the Corporation’s central securities register is maintained.

The Class A Shares are identical to the Common Shares in all material respects with the exception of the right to vote at meetings of the Corporation’s shareholders, and certain conversion rights and other attributes designed to ensure continued compliance with applicable regulations under the *Broadcasting Act* (Canada) concerning Canadian ownership of broadcasting undertakings (as was required when the Corporation indirectly held a controlling stake in LOOK Communications Inc. (now ONEnergy)).

#### ***Take-Over Bid Protection***

As required by National Instrument 51-102 *Continuous Disclosure Obligations*, the following is a summary of the right of holders of the Corporation’s Class A Shares to participate if a take-over bid is made for the Corporation’s Common Shares.

In the event that an offer (an “Offer”) is made to purchase Common Shares and the Offer is one which must, pursuant to applicable securities legislation, be made to all or substantially all the holders of Common Shares, each Class A Share will become convertible into one Common Share at the option of the holder, at any time commencing eight days after the Offer is made and ending at the expiration of the Offer. The conversion right may be exercised only for the purpose of depositing the resulting Common Shares in response to the Offer and the transfer agent and registrar of the Corporation will deposit the resulting Common Shares on behalf of the shareholder. If: (i) Common Shares resulting from the conversion and deposited pursuant to the Offer are subsequently withdrawn by the shareholder or are not taken up by the offeror; or (ii) the Offer is abandoned or withdrawn by the offeror, such Common Shares will be re-converted into Class A Shares.

## NON-REGISTERED SHAREHOLDERS

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person (a “Non-Registered Holder”) are registered either: (i) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares of the Corporation, such as securities dealers or brokers, banks, trust companies, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or (ii) in the name of a clearing agency of which the Intermediary is a participant. In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice-and-Access Materials to the clearing agencies and Intermediaries for distribution to Non-Registered Holders. Intermediaries are required to forward the Notice-and-Access Materials to Non-Registered Holders, and often use a service company for this purpose. Non-Registered Holders will either:

- (a) typically, be provided with a computerized form (often called a “voting instruction form”) which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. In order for the applicable computerized form to validly constitute a voting instruction form, the Non-Registered Holder must properly complete and sign the form and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or service company. In certain cases, the Non-Registered Holder may provide such voting instructions to the Intermediary or its service company through the Internet or through a toll-free telephone number; or
- (b) less commonly, be given a proxy form which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the proxy form and submit it to TMX Equity Transfer Services Inc., 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares of the Corporation which they beneficially own.

Should a Non-Registered Holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should print his or her own name, or that of such other person, on the voting instruction form (as instructed on such form) and return it to the Intermediary or its service company. Should a Non-Registered Holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons set out in the proxy form and insert the name of the Non-Registered Holder or such other person in the blank space provided and submit it to TMX Equity Transfer Services Inc. at the address set out above.

**In all cases, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when, where and by what means the voting instruction form or proxy form must be delivered.**

A Non-Registered Holder may revoke voting instructions which have been given to an Intermediary at any time by written notice to the Intermediary.

## PRINCIPAL SHAREHOLDERS

As at March 24, 2015, to the best knowledge of the Corporation obtained in some cases through a review of public filings, the only persons who beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the issued and outstanding Common Shares of the Corporation are:

Name	Number of Common Shares	Number of Issued Shares	Percentage of Total Issued Shares
6138241 Canada Inc. and 2064818 Ontario Inc., two corporations owned by trusts established by the Dolgonos family and indirectly controlled by Alex Dolgonos Toronto, Ontario	12,266,008	102,747,854	11.94%
Robert Morrison Toronto, Ontario	14,375,000	102,747,854	13.99%
Niketo Co. Ltd., a wholly owned subsidiary of NWT Uranium Corp. Toronto, Ontario	11,305,332	102,747,854	11.00 %

In addition to the above holdings, Mr. Dolgonos has control over 1,000,000 options to purchase Common Shares of the Corporation, all of which have vested and were exercisable as at March 24, 2015. If Mr. Dolgonos was to exercise all of these options, the number of Common Shares under his direction would increase to 13,266,008, representing 12.9% of the issued Common Shares.

## PART 2 – BUSINESS OF THE MEETING

The Meeting is being held in accordance with an order of the Ontario Superior Court of Justice (Commercial List) for the purpose of providing the Corporation with a new Board of Directors that will direct the business of the Corporation upon the Corporation’s imminent exit from proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “CCAA”). A summary of the chronology of certain relevant events in the history of the Corporation and the CCAA proceedings that have led to such order and this Meeting are set out below:

Date	Description of Event
July 5, 2010	Certain shareholders of the Corporation requisition a special meeting of shareholders of the Corporation based on concerns with respect to the actions and conduct of the board of directors of the Corporation (the “ <b>Board</b> ”) in respect of certain payments (“ <b>Restructuring Awards</b> ”) awarded to, among others, Gerald McGoey, then Chief Executive Officer of the Corporation and the principal of Jolian Investments Limited (“ <b>Jolian</b> ”), and Alex Dolgonos, then a consultant of the Corporation. The shareholders of the Corporation vote to remove the existing directors of the Corporation and elect Grant McCutcheon, Henry Eaton and Robert Ulicki to the Board.
July 12, 2010	Jolian, a company controlled by Gerald McGoey, the former CEO and a former director of UBS, commences an action against UBS claiming in excess of \$10 million for, among other things, a deemed termination payment related to a Management Services Agreement dated May 3, 2006 between Jolian and the Corporation, unpaid bonuses awarded to Jolian, amounts owing in respect of the cancellation of a share appreciate rights plan (the “ <b>SAR Plan</b> ”), plus taxes, interest and costs (the “ <b>Jolian Action</b> ”).
July 12, 2010	DOL Technologies Inc. (“ <b>DOL</b> ”), a company controlled by Alex Dolgonos, commences an action against UBS claiming in excess of \$8 million for, among other things, a payment under a Technology Development and Strategic Marketing Agreement dated July 12, 2008 between DOL and the Corporation,



	unpaid bonuses awarded to DOL, amounts owing in respect of the cancellation of the SAR Plan, plus taxes, interest and costs (the “ <b>DOL Action</b> ” and, together with the Jolian Action, the “ <b>Litigation</b> ”).
August 2010 – February 2011	The Corporation reaches agreements with certain former officers and directors other than Gerald McGoe and Alex Dolgonos to “reverse” certain of the Restructuring Awards awarded in their favour.
July 5, 2011	The Corporation and wholly-owned UBS Wireless Inc. (“ <b>UBS Wireless</b> ” and, together with the Corporation, the “ <b>Company</b> ”) are jointly granted protection under the <i>Companies’ Creditors Arrangement Act</i> (Canada) (the “ <b>CCAA</b> ”). The primary purposes of the Company’s CCAA proceedings are to provide the Company with an opportunity to maximize the value of its assets and to implement a claims process to allow the Company to deal with the Litigation on an expedited and cost effective basis.
August 4, 2011	The Ontario Superior Court of Justice (Commercial List) (the “ <b>Court</b> ”) establishes by order a claims process (the “ <b>Claims Process</b> ”) by which Creditors of the Company can file claims against the Company (“ <b>Claims</b> ”) and a process by which such Claims will be determined.
September 19, 2011	Fifteen Claims (including one late filed Claim accepted by the Court) are filed in the Claims Process as of the Claims bar date.
January 4, 2012	Duff & Phelps Canada Restructuring Inc. (the “ <b>CCAA Monitor</b> ”) advises certain creditors that their claims were being accepted as filed. The CCAA Monitor issued Notices of Revision or Disallowance to Jolian and DOL.
January 30, 2012	DOL and Jolian issue Notices of Dispute in respect of their Claims.
July 6, 2012	The Court approves a settlement of all litigation between Alex Dolgonos, 2068418 Ontario Inc. (“ <b>206</b> ”), a company controlled by Alex Dolgonos, DOL and the Corporation, including the DOL Action. The settlement includes an agreement to pay \$500,000 to DOL pursuant to its Claim and the reconstitution of the board of the Corporation to include Victor Wells, Kenneth Taylor and Robert Ulicki.
May 21, 2013	The Court renders its decision (the “ <b>Jolian Decision</b> ”) in the trial to determine the Jolian Action and the Claims of Jolian. The Court finds a breach of fiduciary duty to the Corporation and its shareholders on the part of Gerald McGoe and disallows the Claims of Mr. McGoe and Jolian for Restructuring Awards and indemnification. The Court makes a \$200,000 disgorgement order against Jolian and Gerald McGoe. The Court also finds that Jolian is entitled to an enhanced severance payment and requires Jolian to file a revised proof of claim.
June 11, 2013	The Corporation seeks leave to appeal the Jolian Decision (the “ <b>Jolian Leave</b> ”) with respect to the enhanced severance and Jolian cross-appeals.
November 1, 2013	The Court of Appeal for Ontario (the “ <b>Court of Appeal</b> ”) grants the Jolian Leave.
July 10, 2014	The Court of Appeal grants the Corporation’s appeal of the Jolian Decision and dismisses Jolian’s cross-appeal, finding that Gerald McGoe breached his fiduciary duties to the Corporation and its shareholders and that Jolian is not entitled to receive any enhanced severance payment as a result of Gerald McGoe’s wrongful conduct. The Court awards the Corporation \$60,000 in costs for the appeal and cross-appeal.
December 8, 2014	The Court awards the Corporation a further \$1.3 million for costs, payable jointly and severally by Jolian and Gerald McGoe, in addition to its earlier \$200,000 disgorgement order.
August 2014	The Corporation proceeds with enforcement steps for the costs owed to it by Jolian and Gerald McGoe, including an application for a bankruptcy order against Gerald McGoe filed by the Corporation on August 8, 2014.
November – December 2014	The Corporation and the Board consider options for exiting CCAA proceedings.
December 12, 2014	The Court makes an order approving a timeline for certain steps to be taken by the Corporation to consider its options to exit CCAA proceedings.
January 7, 2015	The Board appoints Robert Morrison as a director of the Corporation to fill the vacancy created by the resignation of Robert Ulicki from the Board on December 31, 2014.
January 9 – February 26, 2015	The Board considers several plans received in respect of the Company’s post-CCAA business, including plans received from Alex Dolgonos and Robert Ulicki, each of which are summarized below. After careful consideration, the Board determines that the most appropriate way to proceed is to pay all of the Corporation’s creditors, call a meeting of the shareholders of the Corporation to elect a new board selected from the nominees proposed by Messrs. Dolgonos and Ulicki and have the Company exit from the CCAA proceedings in an orderly manner. The new directors can then consider the direction of the Corporation’s business post-CCAA.
February 26, 2015	The Court orders that the Corporation call a meeting of shareholders of the Corporation for May 4, 2015.

## SUMMARY OF POST-CCAA BUSINESS PLANS SUBMITTED BY CERTAIN SHAREHOLDERS<sup>1</sup>

### *Ulicki Plan*

Robert Ulicki's plan for the post-CCAA business of the Corporation included, among other elements:

- a) A replacement of the board of directors of the Corporation;
- b) The distribution of all shares of ONEnergy held by UBS Wireless, or the proceeds from the sale therefrom, to shareholders of the Corporation;
- c) The preservation and utilization of the Corporation's tax losses;
- d) A consolidation of the shares of the Corporation to increase the per share price of the Corporation's common shares;
- e) A private placement of common shares of the Corporation for aggregate proceeds of \$487,500; and
- f) The investment of the cash balance of the Corporation in a concentrated leveraged investment portfolio managed by Clareste Wealth Management Inc., of which Mr. Ulicki is the President.

Mr. Ulicki's nominees for the directors of the Corporation are Robert Ulicki, Paul Tepsich and Thomas Murphy.

### *Dolgonos Plan*

Alex Dolgonos' plan for the post-CCAA business of the Corporation included, among other elements:

- a) A replacement of the board of directors of the Corporation;
- b) The retention of the shares of ONEnergy held by UBS Wireless;
- c) A private placement of common shares of the Corporation for aggregate proceeds of approximately \$1,000,000; and
- d) The pursuit of a business combination in a form to be determined with an existing medical diagnostics business.

Mr. Dolgonos' nominees for the directors of the Corporation are Henry Kloepper, Daniel S. Marks and Riadh Zine.

## ELECTION OF DIRECTORS

The articles of the Corporation provide for a minimum of three and a maximum of 15 directors. By way of special resolution dated October 15, 1998, the shareholders of the Corporation granted the directors of the Corporation the power to set the number of directors. At a Board of Directors' meeting held November 24, 2010, the directors resolved to fix the number of directors of the Corporation at three. Accordingly, three Directors are to be elected at the Meeting. **It is the intention of the nominees designated in the enclosed form of proxy to vote the shares in respect of which they are appointed as proxy in favour of not more than three of the nominees whose names are set out below in accordance with the directions of the shareholder who has given such proxy. If the proxy instructs the nominees designated in the form of proxy to vote in favour of more than three director nominees, the proxy will not be voted.** Each director will hold office until the next annual meeting of shareholders or until the election of his successor, unless such person resigns or his office becomes vacant by removal, death or other cause. The Corporation and its current Board of Directors makes no recommendation in respect of any of the candidates identified below.

The following table sets out the name of each of the persons proposed to be nominated for election as director, his municipality of residence, all positions and offices with the Corporation now held by such person, his principal occupation, the year in which such person became a director of the Corporation and the number of Common Shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date indicated below:

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<sup>1</sup> The Corporation and its current Board of Directors makes no recommendation in respect of either post-CCAA business plan and has undertaken no analysis in respect of the likelihood or feasibility of either plan being implemented. The new directors of the Corporation to be elected at the Meeting will not be bound to pursue all or any part of either post-CCAA business plan.

Name, municipality of residence and position with the Corporation	Principal occupation	First year as director	Number of Common Shares of the Corporation beneficially owned or over which control is exercised as at March 24, 2015 <sup>(1)</sup>	Nominated by
Robert Ulicki (Toronto, Ontario)	President and Portfolio Manager, Clareste Wealth Management Inc.	2010 (Mr. Ulicki ceased to be a director on December 31, 2014)	4,774,000	Robert Ulicki
Paul Tepsich (Toronto, Ontario)	Managing Partner and Portfolio Manager, High Rock Capital Management Inc.	N/A	Nil	Robert Ulicki
Thomas Murphy (Toronto, Ontario)	Managing Director, Canonfield Inc.	N/A	Nil	Robert Ulicki
Henry Kloeppe (Toronto, Ontario)	Interim CEO, NWT Uranium Corp.	N/A	Nil	Alex Dolgonos
Daniel S. Marks (Toronto, Ontario)	President and Principal, Stonehouse Capital	N/A	Nil	Alex Dolgonos
Riadh Zine (Toronto, Ontario)	President and CEO, Elite Imaging Inc.	N/A	Nil	Alex Dolgonos

<sup>1</sup> The information as to shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually.

***Biographies of Mr. Ulicki's Nominees:***

**Robert Ulicki** has held numerous positions of influence and responsibility in the financial services industry during the past 25 years. Currently, Mr. Ulicki is President of Clareste Wealth Management Inc., a Canadian based investment management firm. He currently manages a pooled fund and private client portfolios. His investment focus is value situations, capital arbitrage, restructurings and high yield debt. In July 2010, Mr. Ulicki actively participated in the dissident proxy fight to remove the UBS board following the egregious compensation accrued to certain parties following the sale of the spectrum assets of Look Communications Inc. (subsequently renamed ONEnergy Inc.). Following the successful proxy fight, Mr. Ulicki was appointed Chairman of UBS. Mr. Ulicki resigned from UBS in December 2014 in order to ensure that the current UBS board remains free from any conflict of interests regarding his current actions. From 1992 to 1999, Mr. Ulicki worked at BMO Nesbitt Burns managing a leveraged proprietary investment portfolio. His efforts were primarily focused on high yield debt and distressed securities. Mr. Ulicki has a Bachelor of Commerce degree from McGill University and holds a Chartered Financial Analyst designation.

**Paul Tepsich** has over 25 years of investment management experience in the financial services industry in Canada. He is currently the founder and a Managing Partner of High Rock Capital Management Inc. which is an asset management firm located in Toronto, Ontario. High Rock Capital is registered with the Ontario Securities Commission as a Portfolio Management company with a focus on managing both institutional and private client mandates with Assets Under Management of about \$225 million. Mr. Tepsich is also the President of FT Holdings Inc. which is a private investment company. Prior to founding High Rock in 2010, Mr. Tepsich spent almost two years as the lead Portfolio Manager of a new credit fund at a Toronto-based asset management firm. Previous to that, Mr. Tepsich worked at Merrill Lynch Canada Inc. for over 17 years in a series of progressively responsible fixed income trading roles from government bond trading to high yield and distressed bond trading, and acting as Head of Canadian Credit Trading up until his departure in 2008. Mr. Tepsich holds a Bachelor of Administrative and Commercial Studies and Economics from Western University and holds a Chartered Financial Analyst designation.

**Thomas Murphy**, CPA, CA has over 35 years of real estate investment, development, and financial experience. Since September 1995, Mr. Murphy has been Managing Director of Canonfield Inc. (a private real estate investment company). Prior to 1994, Mr. Murphy was a senior executive with Olympia & York Developments Limited, where he worked on many large and complex transactions involving commercial real estate, debt, corporate finance, and accounting and tax issues. His responsibilities have included involvement in acquisitions, dispositions, financing and restructuring, tax planning and compliance and reporting. Mr. Murphy holds a Bachelor of Business Management degree from Ryerson Polytechnical Institute (now Ryerson University) and a Chartered Accountant designation.

***Biographies of Mr. Dolgonos' Nominees:***

**Henry Kloepper** has worked in investment banking and structured finance over a 30 year career. He brings a rounded knowledge of the capital markets, strategic growth and investments. In the past, Mr. Kloepper has worked in executive positions with JP Morgan, Citibank, Bank of America, and North American Trust in Canada, the US and Europe. Currently, Mr. Kloepper is currently interim CEO of NWT Uranium Corp and is a director of a number of public companies listed in Canada and the US which are involved in consumer finance, merchant banking, manufacturing and distribution. His responsibilities range from lead independent director to chairing audit/compensation committees. Notable directorships include: Award Capital (Spot Coffee-food and beverage), National Construction, Mogul Energy (Oil and Gas), DealNet Capital (consumer finance/merchant banking), Gilla Inc. (E cigarette manufacturer/distribution), Sofit Mobile (App. and technology incubator), and Pacific Software Inc. (Metal Fabrication).

**Daniel S. Marks** is the President and Principal of Stonehouse Capital, a portfolio management firm specializing in active investments in Canadian microcap companies. Mr. Marks currently serves on the board of directors of Intrinsic Technologies Corporation (TSX:ITC) and is Chair of the Audit Committee. Since joining the company in April 2013 he has helped lead the repositioning of the engineering services company to take advantage of growth opportunities in the intelligent connected devices technology sector.

From June 2010 to May 2012, Mr. Marks was a director of Pacific Safety Products Inc., Canada's leading soft body armour company, where he also served as Executive Chairman from September 2010 to May 2012. In that role, he oversaw a strategic turnaround in the company, through a process that involved the introduction of a new board and management team and ultimately a merger with Zuni Holdings Inc. From June 2009 to December 2010, Mr. Marks was a director of MTI Global Inc. (renamed Zuni Holdings Inc. in June 2010), a company involved in the design, development and manufacturing of products used primarily in the aerospace industry.

Mr. Marks also served as President, Chief Executive Officer and Interim Chief Financial Officer of Zuni Holdings Inc. from June 2010 to December 2010. Mr. Marks has over twenty years of investment management experience, including positions with Polar Securities Inc., Citibank, Republic National Bank of New York and TD Securities. Mr. Marks holds a Chartered Financial Analyst (CFA) designation and an MBA from McMaster University.

**Riadh Zine**, President and CEO of Elite Imaging Inc., the largest provider of outpatient diagnostic imaging services in the State of Florida. With 15 large medical centers across all of North and South Florida, Elite Imaging is the preferred choice by referring physicians, who depend on the group for advanced diagnostic imaging services with accurate images, experienced subspecialty radiologists providing the highest quality interpretations and quick-turnaround of images and reports. All its radiologists are board certified and are available for second opinions and medical consultation. Mr. Zine is executing a consolidation strategy in this industry. The platform is highly scalable and flexible to integrate any acquisitions.

Mr. Zine is also the co-founder and executive chairman of Roadmap Capital. Previously, Mr. Zine was a Managing Director in Global Investment Banking at RBC Capital Markets, where he was responsible for providing strategic and financial advice to many of Canada's largest corporations, entrepreneurs and private equity firms. Mr. Zine has over 15 years of experience executing public or private equity and debt financings, as well as mergers and acquisitions for a wide range of Canadian companies in the consumer, retail, healthcare, transportation and industrials sectors. Notable transactions include the \$7.5 billion acquisition of Viterra by Glencore, a \$500 million Canadian Pacific equity offering, \$750 million Teranet IPO, \$900 million Tim Hortons IPO, \$5.6 billion sale of Dofasco to Arcelor, and \$300 million private debt offering by MDS Healthcare. Prior to joining RBC Capital Markets, Mr. Zine worked at Royal Bank of Canada on a number of strategic projects, including the proposed merger between Royal Bank of Canada and Bank of Montreal. Mr. Zine holds a M.Sc. in Financial Engineering from École des Hautes Études Commerciales, University of Montréal.

Except as set out below, none of the foregoing nominees for election as director of the Corporation:

- (a) is, or within the last ten years has been, a director or executive officer of any company that:
  - (i) while that person was acting in that capacity, was subject to a cease trade or similar order, or an order that denied such company access to any exemption under applicable securities legislation;
  - (ii) was subject to a cease trade or similar order, or an order that denied such company access to any exemption under applicable securities legislation, that was issued after that person ceased to be a director or executive officer and which resulted from an event that occurred while that person was acting in the capacity of a director or executive officer; or
  - (iii) 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 last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

Exceptions:

1. Robert Ulicki was a director of the Corporation from July 12, 2010 to December 31, 2014. The Corporation entered into CCAA protection on July 5, 2011 and remains in such CCAA protection to the date hereof.

None of the foregoing nominees for election as 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.

### **SHAREHOLDER STATEMENTS**

Each of Mr. Ulicki and Mr. Dolgonos has been permitted by court order and under applicable law to provide a 500 word statement in support of their proposed nominees. The Corporation is not endorsing any nominees and in respect of the statements below, is not providing any comment on the approvals that may or may not be required in respect of any post-CCAA business plan or the feasibility of obtaining such approvals or implementing any such plan. The new directors of UBS to be elected at the Meeting will not be bound to pursue all or any part of any proposed post-CCAA business plan.

Mr. Ulicki's statement is as follows:

Dear Fellow UBS Shareholders:

Do you want a distribution of the ONEnergy common shares?

Do you want to pursue the collection of \$1.6 million Jolian Investments owes UBS?

**If your answer is YES, vote FOR Robert Ulicki, Paul Tepsich and Thomas Murphy. Your vote is very important as we require at least 32 million votes to have a chance of success.**

The three other board nominees are being proposed by a group of UBS shareholders that includes companies controlled by various Dolgonos Family Trusts and Niketo Co. Ltd, a wholly owned subsidiary of NWT Uranium Corporation. NWT Uranium Corporation has been ceased traded since January 14, 2013.

On July 5, 2010, disgruntled UBS shareholders, led by Grant McCutcheon and myself, successfully replaced the entire UBS board following a proxy battle. Immediately thereafter, DOL Technologies Inc. (a private company controlled by Alex Dolgonos, former UBS Chief Technology Consultant) and Jolian Investments Limited (a private company controlled by Jolian Trust and Gerry McGoey, former UBS CEO) sued UBS for \$7 million and \$9 million respectively (see UBS News Release July 13, 2010 filed on SEDAR).

After 5 years of litigation, UBS has resolved the \$7 million DOL Technologies lawsuit for a payment of \$0.5 million (see UBS News Release July 6, 2012 filed on SEDAR) and successfully defended the Jolian Investments claim of \$9 million. In fact, Jolian Investments now owes UBS \$1.6 million (see UBS News Releases July 10, 2014 and December 11, 2014 filed on SEDAR). After paying off its creditors, UBS' remaining assets will consist of 27 million ONEnergy common shares, \$1.6 million claim against Jolian Investments and cash.

On May 4, 2015, you the shareholder have the opportunity to determine the future of UBS. It is for this reason that I am appealing for your support.

If you vote FOR Robert Ulicki, Paul Tepsich and Thomas Murphy, the new UBS board will consider the feasibility of distributing some or the majority of the ONEnergy common shares to shareholders. Depending on how such distribution is structured, additional regulatory or corporate approvals may be required. If a substantial majority of the ONEnergy common shares are distributed to shareholders, it is estimated that for every 100 UBS common shares held, you will receive approximately 25 ONEnergy common shares. This distribution will allow you the shareholder to:

1. Directly participate in the success of ONEnergy; and
2. Participate in the ongoing ONEnergy litigation related to the \$15.7 million payments made to select parties of which Jolian Investments received \$5.6 million and DOL Technologies received \$4.0 million (see ONEnergy News Releases July 6, 2011 filed on SEDAR).

Depending on whether it is feasible to distribute the ONEnergy common shares to UBS shareholders, the new board may also consider raising additional capital by way of private placement to continue to pursue the \$1.6 million Jolian Investments claim and fund working capital.

**Now the decision is yours. After five years of litigation, you finally have a potential opportunity to receive a distribution of the ONEnergy common shares. Vote FOR Robert Ulicki, Paul Tepsich and Thomas Murphy.**

Mr. Dolgonos' statement is as follows:

Dear Fellow UBS Shareholders:

**Since July 5, 2010 and as a result of five years of litigation, UBS has lost millions of dollars in shareholder value and been forced into protection from its creditors. In May 2010, the share price was \$0.09. Today, the share price is \$0.015.**

**A partial offer to shareholders by Alex Dolgonos for 10 million shares at \$0.08 per share was resisted by UBS.**

**UBS's valuable stake in Look Communications has been depleted.**

**In short, this period has been a disaster for UBS.**

Henry Kloepper, Riadh Zine and Daniel Marks have the business experience and skill to utilize UBS's assets and build a business that has the potential to bring value again to the shareholders of UBS. They will bring a fresh approach to UBS, with no responsibility for the past and a flexible, practical approach to UBS's potential for the future.

**Vote for experience, objectivity and skill. Vote FOR Henry Kloepper, Riadh Zine and Daniel Marks.**

Mr. Ulicki proposes a distribution of OEnergy shares to UBS shareholders. It is likely that any such distribution will require a special resolution and there can be no certainty that such resolution would gain the required support.

Vote for a board that can manage UBS as a public corporation. Vote FOR Henry Kloepper, Riadh Zine and Daniel Marks.

## **OTHER BUSINESS**

### ***Approval of Share Consolidation***

Messrs. Ulicki and Dolgonos are jointly putting forward a shareholder proposal to consolidate the Corporation's shares to facilitate the future potential financing of the Corporation at a price per share that exceeds the minimum stock exchange requirements. As such, at the Meeting, shareholders will be asked to consider and, if thought appropriate, to approve, confirm and adopt, with or without variation, a special resolution to amend the articles of the Corporation to consolidate the Corporation's issued and outstanding shares on the basis of one (1) new common share for up to every twenty-five (25) old common shares outstanding as at the date of the Meeting (the "Share Consolidation"), with such ratio to be determined at the discretion of the Board. On a post-consolidation basis, the Corporation will have, as of the effective date of the Share Consolidation, 4,109,914 common shares issued and outstanding, assuming completion on the basis of one (1) new common share for every twenty-five (25) old common shares outstanding. All outstanding options to acquire securities of the Corporation, if any, will be affected by the share consolidation, in accordance with the adjustment provisions contained in the instruments giving rise to the issuance of such securities.

At the Meeting, shareholders will be asked to consider and, if thought appropriate, approve the following special resolution, with or without variation, to approve the proposed Share Consolidation:

"RESOLVED, as a special resolution of the shareholders of Unique Broadband Systems, Inc. (the "Corporation"), with or without amendment, that:

1. the issued and outstanding common shares of the Corporation be consolidated on the basis of one (1) new common share for up to every twenty-five (25) old common shares outstanding as at the date hereof, with such ratio to be determined at the discretion of the directors;

2. shareholders shall not be entitled to receive fractional common shares as a result of the consolidation and the number of common shares issuable on the consolidation shall be rounded down to the nearest full number of common shares;
3. the directors of the Corporation are hereby authorized to revoke this special resolution before it is acted on, without any further approval or authorization of the shareholders of the Corporation; and
4. any one director or officer of the Corporation be and is hereby authorized to do all such further acts and things and execute all such documents and instruments as may be necessary or desirable to give effect to the matters contemplated by this special resolution, including but not limited to the filing of articles of amendment under the *Business Corporations Act* (Ontario)."

Management is making no recommendations in respect of the special resolution to approve the Share Consolidation. In order for the special resolution to approve the Share Consolidation to be effective it must be approved by the affirmative vote of a majority of not less than two-thirds of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting. **In the absence of clear direction, the persons named in the enclosed form of proxy will not vote in respect of the special resolutions approving the Share Consolidation.**

### **PART 3 – COMPENSATION**

#### **EXECUTIVE COMPENSATION**

##### ***Compensation Discussion and Analysis***

The Compensation and Human Resources Committee is responsible for assisting the Board in its oversight of the compensation and assessment of the Corporation's executives. The current members of the Compensation and Human Resources Committee are Robert Morrison, Kenneth Taylor and Victor Wells (See "Corporate Governance — Compensation", below.)

The Corporation's executive compensation program serves the purpose of motivating and retaining the Chief Executive Officer to achieve our corporate objectives within the CCAA process. The Corporation seeks to provide compensation that is appropriate in light of the current circumstances of the Corporation. The primary objective of the compensation program is to ensure that the Corporation is able to retain a CEO that can assist the board in pursuing the strategic goals of the Corporation within the CCAA process. These strategic goals currently include preserving its capital and seeking to maximize the value of its remaining assets with a view to exiting the CCAA process.

Base salaries provide executives with fixed compensation that the Board believes is appropriate given the current circumstances of the Corporation. These salaries are paid in accordance with formal agreements. The Compensation and Human Resources Committee also exercises discretion in determining whether to grant annual and/or long-term incentives to executives (and other employees) based on the work and accomplishments of the individual for the year under review.

In respect of the fiscal year ended August 31, 2014, the Board of Directors, based on the advice of the Compensation and Human Resources Committee, determined to not grant any incentive-based compensation to executives. Accordingly, the Corporation's executives received only base salaries and other benefits that they were entitled to receive under their employment agreements.

##### ***Summary of Compensation***

The following table sets out all annual and long-term compensation for services in all capacities to the Corporation earned for the fiscal years ended August 31, 2014, August 31, 2013 and August 31, 2012 by (i) each individual who acted as chief executive officer of the Corporation for any part of the most recent fiscal year ended August 31, 2014, (ii) each individual who acted as chief financial officer of the Corporation for the fiscal year ended August 31, 2014, (iii) each of the three most highly compensated "executive officers" of the Corporation (as such term is defined in National Instrument 51-102 - Continuous Disclosure Obligations) who earned more than \$150,000 during the fiscal year ended August 31, 2014, and (iv) each individual who would have been one of the three most highly compensated executive officers of the Corporation but for the fact that such individual was not an executive officer of the Corporation at the end of the fiscal year ended August 31, 2014 (collectively, the "Named Executive Officers" or "NEOs").



Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation <sup>(1)</sup> (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Grant McCutcheon Chief Executive Officer	2014	80,000	—	—	—	—	—	—	80,000
	2013	80,000	—	—	—	—	—	3,896	83,896
	2012	170,000	—	—	—	—	—	222,283	392,283
Victor Wells <sup>(2)</sup> Acting Chief Financial Officer for purposes of certification of disclosure under National Instrument 52-109	2014	—	—	—	—	—	—	35,000	35,000
	2013	—	—	—	—	—	—	50,000	50,000
	2012	—	—	—	—	—	—	2,717	2,717
C. Fraser Elliott <sup>(3)</sup> Chief Financial Officer	2014	—	—	—	—	—	—	—	—
	2013	66,635	—	—	—	—	—	11,030	77,665
	2012	75,000	—	—	—	—	—	—	75,000

<sup>1</sup> Refer to the table below for a breakdown of All Other Compensation.

<sup>2</sup> The Corporation currently has no CFO. Victor Wells was appointed Acting CFO of the Corporation on July 9, 2013 for purposes of the certification of disclosure under National Instrument 52-109 only. Mr. Wells is not considered to be an “executive officer” but is included as a NEO as a person who may be considered to be acting in a similar capacity as a CFO. Mr. Wells does not receive a salary from the Corporation in his role as the Acting CFO for purposes of the certification of disclosure under National Instrument 52-109.

<sup>3</sup> C. Fraser Elliott terminated his Employment Agreement with the Corporation on July 9, 2013.

The breakdown of All Other Compensation noted in the table above is set out in the following table:

Name	Year	Termination accruals <sup>(1)</sup> (\$)	Director fees (\$)	Committee fees <sup>(2)</sup> (\$)	Other <sup>(3)</sup> (\$)	Total (\$)
Grant McCutcheon	2014	—	—	—	—	—
	2013	—	—	—	3,896	3,896
	2012	200,000	22,283	—	—	222,283
Victor Wells	2014	—	35,000	—	—	35,000
	2013	—	35,000	15,000	—	50,000
	2012	—	2,717	—	—	2,717
C. Fraser Elliott	2014	—	—	—	—	—
	2013	—	—	—	11,030	11,030
	2012	—	—	—	—	—

<sup>1</sup> On January 3, 2012, 2064818 Ontario Inc., a corporation indirectly controlled by Alex Dolgonos, acquired additional shares of the Corporation with the effect of increasing the indirect holdings of UBS over which Mr. Dolgonos then exercised control and direction to greater than 20%. This triggered a “deemed” termination clause in the current CEO’s employment agreement, triggering a lump sum payment of \$200,000 in lieu of notice of termination which has been recorded in the Corporation’s financial statements as an accrued liability.

<sup>2</sup> On November 29, 2012, a Special Committee was constituted to independently analyze, respond to and approve the potential sale of certain of the shares of Look Communications Inc. (now ONEnergy) then owned by UBS Wireless.

<sup>3</sup> Other compensation includes the release of earned vacation pay.

## ***Employment Agreements***

During fiscal 2014, the Corporation had an employment agreement with Grant McCutcheon.

The agreement provides the terms and conditions of this individual's employment arrangements, including base salary or fees, annual performance incentives and severance payments to be received by them in the event of a termination of employment. The following is a summary of the employment agreement:

### ***Grant McCutcheon***

The Corporation has entered into an employment agreement with Grant McCutcheon effective July 5, 2010. Pursuant to the agreement, as amended, Mr. McCutcheon receives an annual base salary of \$80,000. In addition, Mr. McCutcheon is eligible for an annual performance bonus, determined at the sole discretion of the Board of Directors. The Corporation also provides Mr. McCutcheon with four weeks' paid vacation per year and a benefits package. Except in the case of a Change of Control (as defined in the employment agreement), in the event that the Corporation terminates the employment agreement with Mr. McCutcheon other than for cause, Mr. McCutcheon will be entitled to receive a lump sum payment of \$150,000. Upon termination, options that have been granted and those to which he would have been entitled under the terms of the agreement will vest immediately and will be exercisable at any time in accordance with the Corporation's stock option plan. Following a Change of Control of the Corporation, as defined in the employment agreement and including a majority change in the Board of Directors or the acquisition by any person, entity or group of persons of Common Shares entitling the acquirer to vote or direct the voting of 20% or more of the Corporation's shares, Mr. McCutcheon will be entitled to receive a lump sum of \$200,000. A Change of Control which triggered the "deemed" termination clause in the employment agreement occurred on January 3, 2012.

## **INCENTIVE PLANS**

### ***Stock Option Plan***

All outstanding stock options were granted under the Corporation's stock option plan (the "Option Plan"). The purpose of the Option Plan is to enhance the Corporation's ability: (a) to attract and retain persons to serve as directors, officers and employees of the Corporation and its affiliates or to render consulting services to the Corporation; and (b) to promote a greater alignment of interest between such directors, officers, employees and consultants and the shareholders of the Corporation. The following is a summary of the Option Plan:

In August 2000, the Board of the Corporation established the Option Plan for the Corporation's directors, employees and consultants. The Option Plan was approved by the shareholders of the Corporation on November 9, 2000. The Option Plan was drafted to conform to the then-applicable policies of the Canadian Venture Exchange. Since that time, the TSX Venture Exchange (the successor to the Canadian Venture Exchange) revised its policies regarding incentive stock options. On August 31, 2004, the Board of the Corporation amended and restated the Option Plan. The amended and restated Option Plan was approved by the shareholders of the Corporation on February 17, 2005.

Under the Option Plan, the Board may by resolution grant options to directors, officers and employees of, and consultants to, the Corporation, provided that the total number of shares issued under the Option Plan does not exceed 19,765,596. The total number of shares, which may be issued under the amended and restated Option Plan, represents approximately 19% of the Corporation's currently issued and outstanding shares. The exercise price of the options is determined by the Board at the time of the grant of an option, but cannot be lower than the closing market price of the Corporation's shares on the TSX Venture Exchange or such other market on which the Corporation's shares are listed on the day immediately prior to the date on which the option is granted. The maximum period during which an option may be exercised is ten years from the date on which it is granted. Each option granted under the Option Plan is personal to the optionee and is not assignable or transferable except by will or by the laws of succession of the place of domicile of a deceased optionee.

Under the Option Plan, upon an optionee's employment with the Corporation being terminated for cause, any option not exercised terminates immediately. If an optionee dies or becomes permanently disabled, any option may be exercised for that number of shares which the optionee was entitled to acquire at the time of death or permanent disability. Such option may be exercised within a period of one year after the date of death or 90 days after the occurrence of the optionee's permanent disability (or such longer period as may be determined by the Board) or prior the expiration of the term of the option, whichever occurs earlier. Upon an optionee's employment, office or directorship or consulting services ending other than by

reason of death, permanent disability or termination for cause, any option may be exercised for that number of shares which the optionee was entitled to acquire at the time of such termination. Such option may be exercised within a period of 90 days after such termination (or such longer period as may be determined by the Board) or prior to the expiration of the term of the option, whichever occurs earlier.

***Incentive Plan Awards***

The outstanding option-based and share-based awards as at August 31, 2014 for the NEOs are as follows:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Grant McCutcheon	—	—	—	—	—	—
Victor Wells	—	—	—	—	—	—
C. Fraser Elliott	—	—	—	—	—	—

***Incentive plan awards – value vested or earned during the year***

Name	Option-based awards – value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Grant McCutcheon	—	—	—
Victor Wells	—	—	—
C. Fraser Elliott	—	—	—

**TERMINATION AND CHANGE OF CONTROL BENEFITS**

Pursuant to the employment agreement between the Corporation and Grant McCutcheon, and in the event that the Corporation terminates the employment agreement with Mr. McCutcheon other than for cause and except in the case of a Change of Control (as defined in the employment agreement), Mr. McCutcheon will be entitled to receive a lump sum payment of \$150,000. Following a Change of Control of the Corporation, as defined in the employment agreement and including a majority change in the Board of Directors or the acquisition by any person, entity or group of persons of Common Shares entitling the acquirer to vote or direct the voting of 20% or more of the Corporation’s shares, Mr. McCutcheon will be entitled to receive a lump sum of \$200,000. Upon termination, options that have been granted and those to which he would have been entitled under the terms of the agreement will vest immediately and will be exercisable at any time in accordance with the Corporation’s stock option plan.

On January 3, 2012, 2064818 Ontario Inc., a corporation indirectly controlled by Alex Dolgonos, acquired additional shares of the Corporation with the effect of increasing the indirect holdings of UBS over which Mr. Dolgonos then exercised control and direction to greater than 20%. This constituted a Change of Control pursuant to the employment agreement, triggering a lump sum payment of \$200,000 in lieu of notice of termination which has been recorded in the Corporation’s financial statements as an accrued liability.

## DIRECTORS COMPENSATION

### *Compensation of Directors*

On September 4, 2012, the Corporation fixed director compensation at \$35,000 per year.

### *Remuneration Paid to Directors*

The following table sets out the amounts paid to the directors for their services as directors:

Name	Year	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation <sup>(1)</sup> (\$)	Total (\$)
Kenneth Taylor	2014	35,000	—	—	—	—	—	35,000
	2013	35,000	—	—	—	—	15,000	50,000
	2012	2,717	—	—	—	—	—	2,717
Robert Ulicki	2014	35,000	—	—	—	—	—	35,000
	2013	35,000	—	—	—	—	—	35,000
	2012	25,000	—	—	—	—	—	25,000
Victor Wells	2014	35,000	—	—	—	—	—	35,000
	2013	35,000	—	—	—	—	15,000	50,000
	2012	2,717	—	—	—	—	—	2,717
Henry Eaton <sup>(2)</sup>	2014	—	—	—	—	—	—	—
	2013	—	—	—	—	—	—	—
	2012	22,283	—	—	—	—	—	22,283
Grant McCutcheon <sup>(2)</sup>	2014	—	—	—	—	—	—	—
	2013	—	—	—	—	—	—	—
	2012	22,283	—	—	—	—	—	22,283

<sup>1</sup> On November 29, 2012, a Special Committee was constituted to independently analyze, respond to and approve the potential sale of certain of the shares of Look Communications Inc. (now ONEnergy) then owned by UBS Wireless.

<sup>2</sup> On July 6, 2012, the Court approved a settlement of all litigation between Alex Dolgonos, 206, DOL and the Corporation, including the DOL Action. The settlement included an agreement to the reconstitution of the board of the Corporation effective July 12, 2012 to replace Messrs. McCutcheon and Easton with Messrs. Wells and Taylor.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at August 31, 2014, the end of the Corporation's last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	3,000,000	\$0.15	15,186,640
Equity compensation plans not approved by security holders	—	—	—
Total	3,000,000	\$0.15	15,186,640

## PART 4 – CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE

Notwithstanding that the Corporation has been operating within the CCAA process, the Board is committed to ensuring that the Corporation has an effective corporate governance system, which adds value and assists the Corporation in achieving its objectives. For the Corporation, corporate governance means the process and structure used to supervise the Corporation's business and affairs with the objective of preserving stakeholder value through the CCAA process. The process and structure define the division of authority and responsibilities and establish mechanisms for achieving accountability by the Board and management.

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices:

#### 1. *Board of Directors*

During fiscal 2014, the Board was composed of three directors. The Board considered that all of the directors are independent, according to the definition of "independence" set out in Multilateral Instrument 52-110 *Audit Committees*. The three independent directors in fiscal 2014 were Kenneth Taylor, Robert Ulicki, and Victor Wells. Robert Ulicki was appointed Chairman of the Board. Since July 2013, the Corporation has been without a CFO. Notwithstanding that Mr. Wells certifies the Corporation's disclosure under National Instrument 52-109, he is not considered to be an executive officer and the Board considers Mr. Wells to be independent according to the definition of "independence" set out in Multilateral Instrument 52-110 *Audit Committees*.

The independent directors meet as they deem necessary with the external auditors, Grant Thornton LLP, at an in camera session without management. One such meeting was held in fiscal 2014.

On December 31, 2014, Robert Ulicki resigned as Director and Chairman of the Board, and Victor Wells was appointed Chairman of the Board. On January 7, 2015, Robert Morrison was appointed as a Director of the Corporation to replace Robert Ulicki. The Board considers that Robert Morrison is independent, according to the definition of "independence" set out in Multilateral Instrument 52-110 *Audit Committees*.

#### 2. *Directorships*

The following directors of the Corporation are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name	Issuer
Kenneth Taylor	Marsh Canada Limited, Groundstar Resources Limited, Norvista Resources Corporation, Cannabis Care Canada Inc.
Victor Wells	Student Transportation Inc., Contagious Gaming Inc., Pasinex Resources Limited

#### 3. *Orientation and Continuing Education*

Kenneth Taylor and Victor Wells have been directors of the Corporation since July 12, 2012. Robert Morrison has been a director of the Corporation since January 7, 2015. The Corporation has not prepared a formal orientation program for new directors, although the Chair of the Board meets with new Board members independently to provide orientation and ensure that new members have a complete understanding of the Corporation's status within the CCAA process.

#### **4. *Ethical Business Conduct***

The Board has not adopted a formal Code of Ethics for the Corporation. The Board has determined that the senior officers of the Corporation should observe and promote the following principles with respect to the business of the Corporation:

- (a) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) full, fair, accurate, timely and understandable disclosure in public communications and in reports and documents that are filed with, or submitted to, the securities regulatory authorities; and
- (c) compliance with applicable laws, rules and regulations.

The Board is also committed to taking steps to help ensure that no senior officer of the Corporation takes any action to: (i) fraudulently influence, coerce, manipulate or mislead the auditors of the Corporation; or (ii) retaliate against “whistle blowers” (that is, employees who provide information or assist in a government or supervisory investigation of the Corporation).

Directors and officers are required to disclose any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

#### **5. *Nomination of Directors***

The mandate of the Nomination, Human Resources and Compensation Committee includes the recommendation of qualified candidates for the Board and, as appropriate, periodic reviews of the effectiveness of the Board and individual directors.

The Nomination, Human Resources and Compensation Committee assess potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

#### **6. *Compensation***

The mandate of the Nomination, Human Resources and Compensation Committee includes a periodic review of the appropriateness and adequacy of directors’ and officers’ compensation.

In making compensation decisions the Nomination, Human Resources and Compensation Committee has the authority to engage independent counsel and other advisors as it determines necessary. The Corporation’s policies on compensation are intended to provide appropriate compensation for directors and officers within the context of the Corporation’s current financial situation.

The Committee did not retain the services of any compensation consultant during fiscal 2014.

#### **7. *Other Board Committees***

The Corporation only has an Audit and Corporate Governance Committee and a Nomination, Human Resources and Compensation Committee.

#### **8. *Assessments***

The Nomination, Human Resources and Compensation Committee is responsible for a periodic review of the effectiveness of the Board, its committees and individual directors.

To assist in its review, the Nomination, Human Resources and Compensation Committee has the authority to conduct informal surveys of the directors. As part of the assessments, the Board or the individual committees or the individual directors may review their respective roles and responsibilities.

## AUDIT AND CORPORATE GOVERNANCE COMMITTEE

### *Charter of the Audit and Corporate Governance Committee*

The Charter of the Audit and Corporate Governance Committee is annexed to this Management Information Circular as Schedule A.

### *Composition of the Audit and Corporate Governance Committee*

The Audit and Corporate Governance Committee is currently composed of Robert Morrison, Kenneth Taylor and Victor Wells. Under National Instrument 52-110 *Audit Committees*, a director of an audit committee is “independent” if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board, reasonably be expected to interfere with the exercise of the member’s independent judgment. The Board has determined that all three directors are independent members of the Audit and Corporate Governance Committee.

The Board has determined that each of the three members of the Audit and Corporate Governance Committee is “financially literate” within the meaning of section 1.6 of Multilateral Instrument 52-110 *Audit Committees*, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

### *Relevant Education and Experience*

The education and related experience of each of the members of the Audit and Corporate Governance Committee that is relevant to the performance of his responsibilities as a member of an audit committee are set out below.

**Victor Wells** was CFO of Chemtrade Logistics Income Fund from its IPO in 2001 until 2006 and also served as CFO of Tahera Diamond Corp. He is a member of Financial Executives International Canada, Chair of the Canadian Financial Executives Research Foundation and was formerly Chair of the Committee on Corporate Reporting and was a member of the Accounting Standards Board from 1991 to 1995. Mr. Wells currently serves as Chair of the Audit Committee for Contagious Gaming Inc. and Pasinex Resources Limited and serves on the Audit Committee of Student Transportation Inc. Previous Directorships include GT Canada Medical Properties Inc., MagIndustries Inc., Northstar Healthcare Inc., TriNorth Capital Inc. and Canada Cartage Diversified Income Fund. Mr. Wells is a fellow of the Institute of Chartered Accountants in British Columbia and Ontario, and obtained his Institute of Corporate Directors designation in 2007.

**Robert Morrison** is a private investor and Chartered Financial Analyst.

**Kenneth Taylor** enjoyed a long career as a diplomat in the Canadian Foreign Service with postings in Guatemala, Detroit, London, Pakistan, Iran and Canadian Consul-General in New York. He is best known as the Canadian Ambassador to Iran who, in 1980, risked his own life and his country's reputation to help save the lives of six American hostages during the Iran Crisis. Since leaving the foreign service, Mr. Taylor has worked extensively in the private sector, including five years as Senior Vice President at Nabisco Brands/RJR Nabisco. In his current role as Chairman of the consulting firm of Taylor and Ryan, he provides counselling on issues of political risk, international marketing and strategic accommodation with government. He is currently a director of Marsh Canada Limited, Groundstar Resources Limited, Norvista Resources Corporation and Cannabis Care Canada Inc.

### *Pre-Approval Policies and Procedures*

The Audit and Corporate Governance Committee pre-approves all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation’s external auditor.

### *External Auditor Service Fees (By Category)*

**Audit Fees:** The aggregate fees billed by the Corporation’s external auditor for audit fees were \$35,000 in the fiscal year ended August 31, 2013 and \$35,000 in the fiscal year ended August 31, 2014.

**Audit-Related Fees:** The aggregate fees billed by the Corporation's external auditor for assurance and related services that are reasonably related to the performance of the audit of the Corporation's financial statements and not reported under "Audit Fees" above were \$14,292 in the fiscal year ended August 31, 2013 and \$4,804 in the fiscal year ended August 31, 2014. The nature of such services included professional fees in connection with quarterly filings and administrative charges.

**Tax Fees:** The aggregate fees billed by the Corporation's external auditor for tax compliance, tax advice and tax planning were \$nil in the fiscal year ended August 31, 2013 and \$nil in the fiscal year ended August 31, 2014.

**All Other Fees:** The aggregate fees billed by the Corporation's external auditor for products and services other than the services described under "Audit Fees", "Audit-Related Fees" and "Tax Fees" above were \$nil in the fiscal year ended August 31, 2013 and \$nil in the fiscal year ended August 31, 2014.

## **PART 5 – OTHER INFORMATION**

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at March 24, 2015, none of the executive officers, directors, employees or former executive officers, directors or employees of the Corporation or a subsidiary thereof, and no person who is a nominee for election as director of the Corporation, and no associate of any such executive officer, director or proposed nominee was indebted to the Corporation, a subsidiary of the Corporation or any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation in connection with a purchase of securities or for any other matter.

During the fiscal year ended August 31, 2014, none of the foregoing persons was indebted to the Corporation or any subsidiary of the Corporation, nor has any such person been indebted at any time since the beginning of the fiscal year ended August 31, 2014 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation, in connection with a security purchase program or any other program.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purposes of this Management Information Circular, "informed person" means: (i) a director or executive officer of the Corporation; (ii) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (iii) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or company as underwriter in the course of a distribution; and (iv) the Corporation if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

To the best of the Corporation's knowledge, no informed person of the Corporation, and no associate or affiliate of the foregoing persons, at any time since the beginning of its last completed financial year, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of its last completed financial year that has materially affected the Corporation or any of its subsidiaries, or in any proposed transaction that could materially affect the Corporation or any of its subsidiaries, or in any matter to be acted upon at this Meeting, except as may be disclosed in this Circular.

### **APPOINTMENT OF AUDITOR**

The Auditor of the Corporation is Grant Thornton LLP. The Auditor was first appointed on February 24, 2010.

### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

Liability insurance coverage in the amount of \$6 million in aggregate was purchased by the Corporation for the protection of all directors and officers of the Corporation and its subsidiaries against liability incurred by them in their capacities as directors or officers of the Corporation and its subsidiaries. Such coverage applies on the same basis for all directors and officers of the Corporation as a group. The premium paid by the Corporation for the policy period ending September 30, 2014 was \$48,600 for the directors and officers as a group. This policy applies only to the Corporation and its wholly owned



subsidiaries and carries a \$50,000 deductible in any claim in which the Corporation is permitted to reimburse the insured persons.

### **OTHER MATTERS**

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. Please note that, if any other matters which are not known to the management should properly come before the Meeting and if a designating shareholders completed form of proxy clearly instructs the person designated in such form to vote such proxy in accordance with the proposed directors nominated by one or other of the nominating Shareholders, the accompanying form of proxy confers limited discretionary authority upon the persons named therein to vote on such matters in alignment with the applicable nominating Shareholder that is preferred by the Shareholder completing the form of proxy, where such alignment can be reasonably determined

### **ADDITIONAL INFORMATION**

Financial information about the Corporation is contained in its audited consolidated financial statements and Management's Discussion and Analysis for the fiscal year ended August 31, 2014, and additional information about the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

If you would like to obtain, at no cost to you, a copy of any of the following documents:

- (a) the audited consolidated financial statements of the Corporation for the fiscal year ended August 31, 2014 together with the accompanying report of the auditors thereon and any interim unaudited consolidated financial statements of the Corporation for periods subsequent to August 31, 2014 and Management's Discussion and Analysis with respect thereto; and
- (b) this Management Information Circular,

please send your request to:

Unique Broadband Systems, Inc.  
PO Box 10, Station Main  
Keswick, Ontario, L4P 3E1  
telephone: (905) 660-8100  
facsimile: (905) 669-0785  
e-mail: [irinfo@uniquebroadband.com](mailto:irinfo@uniquebroadband.com)

### **AUTHORIZATION**

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

Victor Wells  
Chairman

DATED at Toronto, Ontario  
March 24, 2015

## SCHEDULE A

### CHARTER OF THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE

#### 1. General

The Board of Directors (the “Board”) of Unique Broadband Systems, Inc. (the “Corporation”) has delegated the responsibilities, authorities and duties described below to the Audit and Corporate Governance Committee of the Board of Directors (the “Audit Committee”). For the purpose of these terms of reference, the term “Corporation” shall include the Corporation and its subsidiaries except to the extent that a subsidiary has its own audit committee that complies with the requirements of any applicable Canadian securities laws, rules and guidelines and any applicable stock exchange requirements or guidelines.

The Audit Committee will provide independent review and oversight of the Corporation’s financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Corporation’s external auditors. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

#### 2. Members

The Audit Committee shall be composed of a minimum of three members. Members of the Audit Committee shall be appointed by the Board. In this regard, the Board, at its first meeting held after an annual meeting of shareholders, shall appoint the members of the Audit Committee to hold office until the next annual meeting of shareholders. The Board may at any time appoint additional members of the Audit Committee, remove or replace any member of the Audit Committee, or fill any vacancy on the Audit Committee. Any member of the Audit Committee ceasing to be a director shall cease to be a member of the Audit Committee. The Board shall fill a vacancy if the membership of the Audit Committee is less than three directors as a result of such vacancy. The Chair of the Audit Committee may be designated by the Board or, if it does not do so, the members of the Audit Committee may elect a Chair by vote of a majority of the full Audit Committee membership.

A majority of the members of the Audit Committee shall not be employees, “Control Persons” or officers of the Corporation or any of its “Associates” or “Affiliates”, as such terms are defined in the TSX Venture Exchange Corporate Finance Manual. In addition, a majority of the members of the Audit Committee shall be “independent” within the meaning of Multilateral Instrument 52-110 *Audit Committees*.

#### 3. Meetings

The Audit Committee shall meet at least quarterly at such times and locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation’s quarterly and annual financial statements and the related management’s discussion and analysis and earnings press releases. The external auditor or any two members of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold *in camera* sessions of the Audit Committee, without management present, at every meeting. The Audit Committee may invite such other persons to its meetings as it deems appropriate in order to carry out its duties.

The Audit Committee shall submit the minutes of all meetings to the Board, and when so requested, shall review the matters discussed at an Audit Committee meeting with the Board.

A quorum for any meeting shall be two members of the Audit Committee.

The Audit Committee shall have the authority to require the attendance of the Corporation’s officers at meetings of the Audit Committee, as it deems appropriate or necessary.

#### **4. Committee Charter**

The Audit Committee shall review and reassess the adequacy of this charter at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board, if necessary.

#### **5. Duties of the Audit Committee**

The Audit Committee shall have the following duties:

##### **(a) Oversight of Financial Information and Reporting**

- (i) The Audit Committee shall review, with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (ii) The Audit Committee shall review, with management and the external auditor, if deemed necessary, and recommend to the Board for approval, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (iii) The Audit Committee shall review, with management and the external auditor, and recommend to the Board for approval, any financial statements of the Corporation which have not previously been approved by the Board and which are to be included in a prospectus or other public disclosure document of the Corporation.
- (iv) The Audit Committee shall consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements (other than disclosure referred to above), and periodically assess the adequacy of such procedures.

##### **(b) Relationship with External Auditors**

- (i) The Audit Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (ii) The external auditor shall report directly to the Audit Committee and the Audit Committee should have a clear understanding with the external auditor that such external auditor must maintain an open and transparent relationship with the Audit Committee, and that the ultimate accountability of the external auditor is to the shareholders of the Corporation.
- (iii) The Audit Committee shall recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation, having regard to the qualifications and independence of any candidates, and shall recommend to the Board the compensation of the external auditor. The external auditor is required to be an auditor registered with the Canadian Public Accountability Board ("CPAB") that is in compliance with any restrictions or sanctions imposed by the CPAB.

##### **(c) Pre-Approval of Audit and Non-Audit Services**

The Audit Committee shall pre-approve all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

##### **(d) Complaints Procedure**

The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

*(e) Hiring Policies*

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

*(f) Reporting*

The Audit Committee shall report regularly to the Board regarding any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the external auditor, or the internal audit function.

**6. Authority to Engage Independent Counsel and Advisors**

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board, for: (a) payment of compensation to the external auditors employed by the issuer for the purpose of rendering or issuing an audit report; (b) payment of compensation to any advisers employed by the Audit Committee; and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee shall have the authority, within the scope of its responsibilities, to seek any information it requires from any employee of the Corporation and from external parties.