

MAJORITY VOTING IN DIRECTOR ELECTIONS

In an uncontested election of Directors, each Director should be elected by the vote of a majority of the shares represented in person or by proxy at any shareholders' meeting for the election of Directors. Accordingly, if any nominee for Director fails to receive at least a majority of the votes cast for his or her election, treating for such purpose "withhold" votes as a vote against such election, (a "Majority Withheld Vote") that nominee shall immediately tender his or her resignation to the Board Chair following the meeting at which he or she is elected, which resignation will become effective upon acceptance by the Board. In this Policy, an "uncontested election" means an election where the number of nominees for Directors is equal to the number of Directors authorized to be elected upon such election as determined by the Board.

The Corporate Governance Committee of the Board (the "Committee") shall consider the resignation offer and shall recommend to the Board whether to accept it. In considering whether to recommend the acceptance of the resignation, the Committee will consider all facts and circumstances deemed relevant by members of the Committee including, without limitation, the stated reasons why shareholders "withheld" votes from the election of that nominee, whether accepting the resignation would cause the Corporation to fail to meet any applicable listing statutory or regulatory requirements or obligations under commercial agreements, whether the Director whose resignation has been tendered is a member of a special committee whose term or mandate is defined, the length of service and the qualification of the Director whose resignation has been tendered, such Director's contributions to the Corporation, the Corporation's corporate governance policies and alternatives to cure the underlying cause of the withheld votes.

The Board shall consider the Committee's recommendation within 90 days following the meeting at which the Director received a Majority Withheld Vote. In considering whether exceptional circumstances exist justifying the Director's continuance in office, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers to be relevant. Following the Board's decision on the resignation, the Board shall promptly disclose via press release, duly filed with the Toronto Stock Exchange, its decision whether to accept the Director's resignation offer. Should the Board decline to accept the resignation offer, it should fully state in the press release the reasons for the decision.

If the resignation is accepted, the Board may, in accordance with the provision of the *Québec Business Corporations Act*, appoint a new Director to fill any vacancy created by resignation or reduce the size of the Board or call a special meeting of shareholders at which there will be presented a new candidate to fill the vacant position(s).

Any Director who tenders his or her resignation pursuant to this policy shall not participate in the deliberations of the Committee or the Board.