

## WESTERN PACIFIC TRUST COMPANY

Suite 920 - 789 West Pender Street  
Vancouver, British Columbia, V6C 1H2

Telephone: (604) 683-0455

Facsimile: (604) 669-6978

### INFORMATION CIRCULAR

(As at April 28, 2021, except as indicated)

**The Company is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the Annual General Meeting (the "Meeting") of the Company to be held on June 2, 2021 and at any adjournments.** Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiary is also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

### APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the "Management Proxyholders").

**A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.**

### VOTING BY PROXY

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

**If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.**

**The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

### COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the

Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

## **NON-REGISTERED HOLDERS**

**Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting.** Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "Nominee"). If you purchased your shares through a broker, you are likely an unregistered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In addition, Canadian securities legislation now permits the Company to forward Meeting materials directly to "non-objecting beneficial owners". If the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions.

## **REVOCABILITY OF PROXY**

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.**

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

The Company is authorized to issue 100,000,000 common shares without par value and 100,000,000 preferred shares without par value. Of the preferred shares, 100,000 are designated as Series I Preferred Shares, and 1,000,000 are designated as Series II Preferred Shares. As at the date hereof, 25,018,558 common shares; 400 non-voting Series I Preferred Shares; and 130,550 non-voting Series II Preferred Shares are issued and outstanding. Persons

who are registered shareholders at the close of business on April 28, 2021 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each common share held.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, directly or indirectly, or controls or directs shares carrying 10% or more of the voting rights attached to all shares of the Company, except the following:

Name	No. of Shares Owned or Controlled or Directed Directly or Indirectly	Percentage of Outstanding Shares
Robert W. Macdonald	4,110,042	16.4%
Piff Properties Ltd. <sup>1</sup>	3,861,637	15.4%
Anthony Liscio	2,927,696	11.7%

<sup>1</sup> Piff Properties Ltd. is 100% owned by Derek Weston.

## PRIVATE PLACEMENTS

As at the date of this Information Circular, there are 25,018,558 issued common shares. No common shares were issued during 2020.

## ELECTION OF DIRECTORS

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

No person shall be nominated as a director of the Company unless such nomination is made pursuant to the provisions of the Company's Advance Notice Policy, approved by the shareholders on May 29, 2019.

Shareholder approval will be sought to fix the number of directors of the Company at seven. Management recommends that the shareholders vote in favour of fixing the number of directors at seven.

The Company is required to have an Audit Committee, a Conduct Review Committee and an Investment and Loan Committee. In addition to those committees, the Company has an Executive Compensation Committee, a Capital Management Committee, and a Cyber Security Committee, the latter two of which being sub-committees of the Audit Committee. Members of these Committees are as set out below and later in this Information Circular.

Management of the Company proposes to nominate each of the following seven persons for election as a director. The persons named in the enclosed form of proxy intend to cast the votes to which the shares represented by such proxy are entitled for the election of the nominees whose names are set forth below, unless the shareholder who has given such proxy has directed that the shares be withheld from voting in the election of directors. Management of the Company does not anticipate that any of the nominees will be unable to serve as a directors, but if that should occur for any reason at or prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.

The following table sets forth certain information with respect to the persons nominated by Management for election as a director of the Company.

<b>Name, Jurisdiction of Residence and Position</b>	<b>Principal Occupation or employment and, if not a previously elected director, occupation during the past 5 years</b>	<b>Director Since</b>	<b>Number of Common Shares beneficially owned, directly or indirectly, or Controlled or directed <sup>1</sup></b>
Alison Alfer <sup>5 6 7</sup> British Columbia, Canada Director	President & CEO, Western Pacific Trust Company	2019	<b>255,869</b>
Bruce H. Bailey <sup>2 3 4</sup> British Columbia, Canada Director	CPA, CA; 1988 - 2013: Vice President Finance & Director, JPMorgan Asset Management (Canada) Inc. Retired since 2013.	2018	<b>382,875</b>
G. Benjamin Cutler <sup>3 5 7</sup> British Columbia, Canada Director	CEO and Chairman of the Board of Hush Communications Corporation.	2015	<b>115,000</b>
John C.A. de Wit <sup>2 6</sup> British Columbia, Canada Director	CPA, CA; 2012 – 2014: President & CEO, Western Pacific Trust Company. President, Ozyron Financial Services (private consulting company).	2014	<b>250,000</b>
Dr. Anthony Liscio <sup>2 3 4</sup> Ontario, Canada Chairman of the Board / Director	2008 – 2011: President & CEO, Western Pacific Trust Company and Futureworth Financial Planners Corp.	2004	<b>2,927,696</b>
J. Cowan McKinney <sup>2 4 5</sup> British Columbia, Canada Director	FCPA, FCA; President, Stormont Enterprises Ltd. (private investment company); 1997 - 2017: Chairman of the Board, Pacific Insight Electronics Corp.	1997	<b>2,114,958<sup>8</sup></b>
Steven O. Youngman <sup>2 6 7</sup> British Columbia, Canada Deputy Chairman of the Board / Director	Director, Trusts, Western Pacific Trust Company; Principal and President of Youngman Tax Services Ltd.; Director of Hush Communications Corporation; VP Finance & Legal, Hush Communications Canada Inc.	2013	<b>110,352</b>

<sup>1</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at April 28, 2021, based upon information furnished to the Company by individual directors. Unless otherwise indicated, such shares are held directly.

<sup>2</sup> Member of the Audit Committee.

<sup>3</sup> Member of Conduct Review Committee.

<sup>4</sup> Member of Executive Compensation Committee.

<sup>5</sup> Member of Investment and Loan Committee.

<sup>6</sup> Member of Capital Management Committee.

<sup>7</sup> Member of Cyber Security Committee.

<sup>8</sup> These shares are held indirectly in the name of Stormont Enterprises Ltd., a private company held by Mr. McKinney and his family, in respect to which he and his wife hold a controlling interest.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the company acting solely in such capacity.

To the knowledge of the Company, no proposed director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Company) that:
  - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to 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
- (e) has been subject to any 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, except for the following:

Tamerlane Ventures Inc. (“Tamerlane”), of which Mr. J. Cowan McKinney was a director from May 16, 2002 to January 30, 2014, was an exploration and development mining company with advanced base metal development projects in Canada and Peru. Pursuant to an order of the Ontario Superior Court of Justice made on August 23, 2013, Tamerlane was granted protection under the Companies’ Creditors Arrangement Act (“CCAA”) and Duff & Phelps Canada Restructuring Inc. (“D&P”) was appointed monitor (“Monitor”) in the CCAA proceedings. Pursuant to an order of the Court dated January 30, 2014, the CCAA proceedings were terminated and D&P was discharged as Monitor. On January 30, 2014, Tamerlane’s principal secured lender brought a motion before the Court to place Tamerlane in receivership. Pursuant to a Court order made on that date, Tamerlane was placed in receivership and D&P was appointed receiver (“Receiver”) of Tamerlane’s properties, assets and undertakings. A sale was completed in 2017.

No directors of the Company currently hold directorships in other reporting issuers.

Management recommends that the shareholder vote for the nominated candidates.

## EXECUTIVE COMPENSATION

The table below sets forth the particulars of compensation earned by the following persons (the “Named Executive Officers” or “NEOs”) for the Company’s three most recently completed financial years:

- (a) the Company’s CEO;
- (b) the Company’s CFO;
- (c) each of the Company’s three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000; and
- (d) any additional individuals for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

### Summary Compensation Table

Name and principal position	Year	Salary	Share based awards (\$)	Option based awards (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other Compensation <sup>3</sup> (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-Term Incentive Plans			
Alison Alfer <sup>1</sup> CEO	2020	\$135,000	Nil	Nil	Nil	Nil	Nil	\$1,303 <sup>3</sup>	\$136,303
	2019	\$125,450	Nil	Nil	Nil	Nil	Nil	\$2,994 <sup>3</sup>	\$128,444
	2018	\$112,180	Nil	Nil	Nil	Nil	Nil	\$2,964 <sup>3</sup>	\$115,144
Sharon Lee <sup>2</sup> CFO	2020	\$44,975	Nil	Nil	Nil	Nil	Nil	Nil	\$44,975
	2019	\$42,438	Nil	Nil	Nil	Nil	Nil	Nil	\$42,438
	2018	\$45,369	Nil	Nil	Nil	Nil	Nil	Nil	\$45,369

<sup>1</sup> Alison Alfer was appointed Chief Executive Officer and President on May 22, 2014, and was appointed a Director of the Company on January 7, 2019.

<sup>2</sup> Sharon Lee has served as CFO from November 2015 to present.

<sup>3</sup> Travel allowance.

### Incentive Plan Awards – Named Executive Officers

The following table sets out all awards outstanding for the Company’s NEOs at the end of the most recently completed financial year. This includes awards granted before the most recently completed financial year.

Name	Option Based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price	Options 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 (\$)
Alison Alfer CEO	262,500	\$0.07	18-11-2022	Nil	N/A	N/A
	500,000	\$0.10	26-11-2022	Nil	N/A	N/A

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 (\$)
Alison Alfer, CEO	Nil	Nil	Nil

The Named Executive Officers did not exercise any options in respect of the Company's shares during the most recently completed financial year.

Termination of Employment, Changes in Responsibility and Employment Contracts

The NEOs have employment contracts that outline the terms and conditions pertaining to their employment with the Company. A summary of the material terms of those agreements is as follows.

The Company entered into an employment agreement with Ms. Alison Alfer, pursuant to which Ms. Alfer agreed to provide her services as Chief Executive Officer for an annual salary of \$135,000. The employment agreement continues in force until terminated either: (i) by Ms. Alfer upon the provision of two months' notice; or (ii) by the Company at any time with cause, or without cause upon a severance payment of two and a half times annual salary and a retirement bonus equal to 50% of annual salary. In the case of a Change of Control of the Company, the employment agreement provides that, in certain circumstances, a payment equal to the severance payment described above may be made to Ms. Alfer. The employment agreement contains non-competition, non-solicitation and non-acceptance provisions pursuant to which Ms. Alfer is prohibited during the term of such agreement and for a period of 12 months thereafter from, among other things, engaging in any business competitive with that of the Company.

The Company entered into a consulting agreement with Ms. Sharon Lee, pursuant to which Ms. Lee agreed to provide her services as Chief Financial Officer on a part-time basis at \$175.00 per hour.

**INCENTIVE PLAN – STOCK OPTION PLAN**

The Company has a stock option plan for the granting of incentive stock options to the officers, employees and directors.

The following table sets forth the Company's compensation plan under which equity securities are authorized for issuance as at the end of the most recently completed financial year. <b>an Category</b>	Number of securities to be issued upon exercise of outstanding options, warrants and rights  (a)	Number of securities underlying each award or received on vesting or exercise  (b)	Weighted-average exercise price of outstanding options, warrants and rights  (c)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (d)
Stock Option Plan approved by security holders	2,725,000	2,725,000	\$0.09	2,278,711

## COMPENSATION OF DIRECTORS

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular, except as follows:

### Western Pacific Trust Company

- i) Independent directors (except for the Board Chair) receive a fee of \$6,000 per year, prorated per month for services less than a year, and a fee of \$250 for each meeting of the Board of Directors (the “Board”) attended.
- ii) The independent Board Chair receives a fee of \$9,000 per year, prorated per month for services less than a year, and a fee of \$250 for each meeting of the Board attended.
- iii) Independent members of the Audit, Investment and Loan, Conduct Review, and Executive Compensation Committees receive a fee of \$250 for each meeting of the Committee attended, except that Committee members who are also directors of the Company shall not receive a Committee attendance fee whenever a Committee meeting is held in conjunction with a full Directors’ Meeting.
- iv) The Chair and Deputy Board Chair receive a fee of \$125 per hour for such time expended on the governance of the Company in their respective capacities of Chair and Deputy Board Chair, and which time is in addition to any directors’ or Committee meetings attended by them.
- v) Any independent director designated by the Board, by reason of his/her professional expertise and knowledge, to undertake special assignments or provide services which would otherwise be contracted out to a professional service provider at standard industry rates, shall be compensated for such work or services at a discounted rate of \$125 per hour.

### WP Private Equity Transfers Inc. (“WPPET”)

Ms. Alfer serves as the sole director and officer of WPPET, and receives no compensation for acting in either capacity.

### WP Private Health Inc. (“WPPH”)

Ms. Alfer and Mr. Steven Youngman serve as the two directors of WPPH, and Ms. Alfer serves as the sole officer. Neither Ms. Alfer nor Mr. Youngman receives any compensation for acting in either capacity.

### 1128668 B.C. Ltd. (“1128668”)

Mr. Steven Youngman and Ms. Alfer and serve as the two directors of 1128668. Mr. Youngman serves and President, and Ms. Alfer serves as Vice-President. Neither Mr. Youngman nor Ms. Alfer receives any compensation for acting in either capacity.

### 1211263 B.C. Ltd. (“1211263”)

Ms. Alfer and Mr. Steven Youngman serve as the two directors of 1211263. Neither Ms. Alfer nor Mr. Youngman receives any compensation for acting in that capacity. There are no officers.

The following table (presented in accordance with National Instrument Form 51-102F6) sets forth all amounts of compensation earned by the Company’s directors during the company’s most recently completed financial year,

except any director who was also an NEO during the year and whose compensation is fully reflected in the Summary Compensation Table earlier in this Information Circular.

Name <sup>1</sup>	Fees Earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity Incentive plan Compensation (\$)	Pension Value (\$)	All other compensation (\$)	Total (\$)
Bruce H. Bailey	\$7,250	Nil	\$1,626	Nil	Nil	Nil	\$8,876
G. Benjamin Cutler	\$7,250	Nil	Nil	Nil	Nil	Nil	\$7,250
John C.A. de Wit	\$7,938	Nil	Nil	Nil	Nil	Nil	\$7,938
Anthony Liscio	\$8,000	Nil	Nil	Nil	Nil	Nil	\$8,000
J. Cowan McKinney	\$9,500	Nil	Nil	Nil	Nil	Nil	\$9,500
Steven O. Youngman	Nil	Nil	Nil	Nil	Nil	\$96,000	\$96,000

<sup>1</sup> All other compensation paid directly or indirectly through Youngman Tax Services Ltd. to Mr. Youngman include the fair value of stock options for the year.

#### Incentive Plan Awards – Directors

No stock options were granted under the Company’s stock option plan during the most recently completed financial year.

The following table sets forth out all awards outstanding for the Company’s Directors at the end of the most recently completed financial year, except for any director who was also an NEO during the year and whose compensation is fully reflected under Incentive Plan Awards - NEO earlier in this Information Circular. This includes awards granted before the most recently completed financial year.

Name	Option Based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price	Options expiration date DD-MM-YYYY	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 (\$)
Bruce H. Bailey	75,000	\$0.12	11-06-2022	\$9,615	Nil	Nil
	25,000	\$0.07	12-09-2022	\$1,710	Nil	Nil
G. Benjamin Cutler	100,000	\$0.07	18-11-2022	Nil	Nil	Nil
John C.A. de Wit	300,000	\$0.10	26-11-2022	Nil	Nil	Nil
J. Cowan McKinney	150,000	\$0.10	26-11-2022	Nil	Nil	Nil
Anthony Liscio	150,000	\$0.10	26-11-2022	Nil	Nil	Nil
Steven O. Youngman	302,530	\$0.07	18-11-2022	Nil	Nil	Nil
	459,970	\$0.10	26-11-2022	Nil	Nil	Nil

## **INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS**

None of the Company's directors, executive officers, senior officers, proposed nominees for election as directors or their respective associates or affiliates were indebted or has been indebted to the Company or any of its subsidiaries during the most recently completed financial year.

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

Except as set out herein, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

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

No informed person or proposed director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

## **APPOINTMENT OF AUDITORS**

Smythe LLP, Chartered Professional Accountants, of Vancouver, British Columbia, is the auditor of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Smythe LLP as the auditor of the Company to hold office for the ensuing fiscal year at a remuneration to be fixed by the directors.

## **MANAGEMENT CONTRACTS**

Mr. Steven Youngman, of Vancouver, British Columbia, serves as Director, Trusts for Western Pacific Trust Company, pursuant to a consulting contract with the Company. During the year ended December 31, 2020, Mr. Youngman, directly or indirectly through Youngman Tax Services Ltd., received compensation totalling \$96,000.

No management functions of the Company or subsidiary are performed to any substantial degree by any other person, other than the directors or senior officers of the Company or subsidiary.

Ms. Sharon Lee, of Burnaby, British Columbia, serves as Chief Financial Officer for Western Pacific Trust Company, pursuant to a consulting contract with the Company. During the year ended December 31, 2020, Ms. Lee received compensation totaling \$44,975.

## **CORPORATE GOVERNANCE DISCLOSURE**

A summary of the responsibilities and activities and the membership of each of the Committees is set out below.

National Instrument 58-201 ("NI 58-201") establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have

not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

#### Independence of Members of Board

Pursuant to the requirements of the Financial Institutions Act, British Columbia, the Company maintains a board of a minimum five directors. Of the current board of seven directors, Bruce Bailey, G. Benjamin Cutler and John de Wit are independent and unaffiliated directors (as that term is defined under the *Financial Institutions Act*). J. Cowan McKinney and Anthony Liscio are independent, and affiliated by virtue of their respective share positions in the Company. Alison Alfer and Steven Youngman are not independent and are affiliated.

#### Management Supervision by Board

The size of the Company is such that all of the Company's operations are conducted by a small management team which is represented on the Board. The Board has taken the position that management is effectively supervised by the independent directors on an informal basis as the independent directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management. The independent directors have, however, been able to meet at any time without any members of management, including non-independent directors, being present. Further supervision is performed through the audit committee whose members are able to meet with the Company's auditors without management being in attendance. The independent directors exercise their responsibilities for independent oversight of management through their majority control of the Board and through having an independent Chair of the Board.

#### Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

#### Participation of Directors in Other Reporting Issuers

The participation of the directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

#### Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information; and
3. access to management and technical experts and consultants.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

## Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Ethics for Directors and Senior Officers.

## Nomination of Directors

The Board has responsibility for identifying potential Board candidates, although a formal process has not been adopted. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO.

## Assessment

The Conduct Review Committee has the responsibility for overseeing a Board Self-Assessment exercise on an annual basis. The Directors complete confidential questionnaires in respect to the performance and effectiveness of the Board in a range of categories, and the results are tabulated and presented to the Board with any recommendations arising therefrom. As part of the assessments, the Board or Conduct Review Committee may review committee mandates or charters and conduct reviews of applicable corporate policies.

## Compensation of Directors and the CEO

The Executive Compensation Committee has responsibility for determining compensation for the directors and senior officers.

To determine compensation payable, the Executive Compensation Committee reviews compensation paid for directors and CEOs of companies of similar size and stage of development in the financial services industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the Executive Compensation Committee reviews the performance of the CEO in light of the Company's objectives and considers other factors that may impact the success of the Company in achieving its objectives.

## Board Committees

Committees of the Board are an integral part of the Company's governance structure. There are four standing Board committees, one of which has two sub-committees, established to devote the necessary expertise and resources to particular areas, and to enhance the quality of discussion at Board meetings:

- i) Audit Committee
  - Capital Management Committee
  - Cyber Security Committee
- ii) Conduct Review Committee
- iii) Investment and Loan Committee
- iv) Executive Compensation Committee

The Committees facilitate effective Board decision making by providing recommendations to the Board on matters within their respective responsibilities. The Board believes that the Committees assist in the effective functioning of the Board and that the composition of the Committees should ensure that the views of independent and non-independent directors are effectively represented.

## *Audit Committee*

### The Audit Committee's Charter

#### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

#### *Composition*

The Committee shall be comprised of a minimum of three Directors as determined by the Board, the majority of whom shall not be Officers or Employees of the Company, and shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one-third of the Committee members shall be "Unaffiliated directors", as that term is defined in the Financial Institutions Act, British Columbia.

The majority of the members of the Committee shall have accounting or related financial management expertise. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

#### *Meetings*

The Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

#### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (a) Review and update this Charter annually.

- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

#### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Obtain annually from external auditors the finding of the CPAB inspection of the audit file for the Company, if any such inspection was conducted.
- (d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (e) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.
- (f) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (g) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (h) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (i) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (j) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### *Financial Reporting Processes*

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### *Other*

Review any related-party transactions.

### Composition of the Audit Committee

Currently, the following are the members of the Committee:

Bruce Bailey	Independent	Financially literate <sup>1</sup>
John de Wit	Independent	Financially literate <sup>1</sup>
Anthony Liscio, Chair	Independent	Financially literate <sup>1</sup>
J. Cowan McKinney	Independent	Financially literate <sup>1</sup>
Steven O. Youngman	Not Independent	Financially literate <sup>1</sup>

<sup>1</sup> As defined by Multilateral Instrument 52-110 ("MI 52-110").

### Relevant Education and Experience

Bruce Bailey is a CPA, CA. John de Wit is a CPA, CA. J. Cowan McKinney is a FCPA, FCA. Steven Youngman, B.Comm., is Vice-President Finance & Legal of Hush Communications Canada Inc., and is a Principal and President of Youngman Tax Services Ltd. Dr. Anthony Liscio, DDS, is an independent businessman; a Transitions Consultant for a practice broker; and the past and present holder of various administrative positions for the Royal College of Dental Surgeons of Ontario.

### Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of MI 52-110 (*De Minimis Non-audit Services*), or an exemption from MI 52-110, in whole or in part, granted under Part 8 of Multilateral Instrument 52-110.

### Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

### External Auditors' Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years are as follows.

In the following table, "audit fees" are fees for services provided in auditing the Company's annual financial statements for the fiscal year. "Audit-related fees" are fees not included in audit fees that are for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees for products and services not included in the foregoing categories.

<b>Fees</b>	<b>Fiscal Year 2020</b>	<b>Fiscal Year 2019</b>
Audit fees	\$28,000	\$28,000
Audit related fees	Nil	Nil
Tax Fees	Nil	Nil
All other fees	Nil	Nil

### Exemption in Section 6.1 of MI 52-110

The Company is relying on the exemption in Section 6.1 of MI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

### ***Capital Management Committee (sub-committee)***

The Capital Management Committee is comprised of representatives of the Board and Management, and reports to the **Audit Committee**. The purpose of the Committee is to establish capital targets and manage business in relation thereto.

Currently, the members are John de Wit, Alison Alfer, Sharon Lee and Steven Youngman.

The Capital Plan and its underlying assumptions are reviewed at least annually by the Board to confirm that the processes are in place, that they are applied consistently, and that they remain relevant for the Company's business model and risk profile.

### ***Cyber Security Committee (sub-committee)***

The Committee is comprised of members of the Board and Management, and reports to the **Audit Committee**. The purpose of the Committee is to develop and implement policies and procedures to manage and mitigate the risk of cyber threat to the Company.

Currently, the members are G. Benjamin Cutler, Steven Youngman and Alison Alfer.

### ***Executive Compensation Committee***

The Executive Compensation Committee is responsible for reviewing all overall compensation strategy, objectives and policies; annually reviewing and assessing the performance of the executive officers; recommending to the Board the compensation of the executive officers; reviewing executive appointments; and recommending the adequacy and form of directors' compensation. The decisions of the Executive Compensation Committee in respect to compensation of directors and senior officers of the Company are subject to the approval by the disinterested members of the Board.

Currently, the members are Anthony Liscio, J. Cowan McKinney and Bruce H. Bailey, all of whom are independent directors.

### ***Conduct Review Committee***

The Conduct Review Committee assists the Board with the Company's regulatory compliance and governance, and ensures that appropriate procedures are in place to maintain the standards set by the Company.

The Conduct Review Committee developed the Company's Conflict of Interest Policy and related procedures for the Board. In accordance with the requirements of the Financial Institutions Commission, the Conduct Review Committee reports to the directors on Related Party Transactions at every directors' meeting.

The Conduct Review Committee also developed the Company's Code of Ethics for Directors, and oversees the annual Directors' Self-Assessment exercise.

As noted above, the Conduct Review Committee also has the responsibility for overseeing a Board Self-Assessment exercise on an annual basis.

Currently, the members are Bruce H. Bailey, G. Benjamin Cutler and Anthony Liscio, all of whom are independent directors.

### ***Investment and Loan Committee***

The Investment and Loan Committee ensures that the investment guidelines established by the Board are followed by management and may from time-to-time review the guidelines and recommend changes to the Board. Currently, the members are J. Cowan McKinney and G. Benjamin Cutler, both of whom are independent directors, and Alison Alfer, who is the CEO and a director of the Company.

## **OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at Suite 920 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2 to request copies of the Company's financial statements and MD&A. Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

## **FORWARD LOOKING STATEMENTS**

This Information Circular contains certain forward-looking statements. All statements included herein, other than statements of historical fact, including without limitation statements regarding the future plans and objectives of the Company, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove accurate, and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in Company documents filed from time to time with the regulatory authorities and on [www.SEDAR.com](http://www.SEDAR.com).

DATED this 28<sup>th</sup> day of April, 2021.

APPROVED BY THE BOARD OF DIRECTORS  
WESTERN PACIFIC TRUST COMPANY

“ALISON ALFER”

ALISON ALFER, Chief Executive Officer