



## INVITATION TO SHAREHOLDERS

On behalf of our Board of Directors, management and employees, we invite you to attend the annual and special meeting of shareholders of VIQ Solutions Inc. at 10:00 a.m. (Toronto time) on Wednesday, June 20, 2018 at 5915 Airport Road, Suite 700, Mississauga, Ontario, L4V 1T1.

The items of business to be considered at this meeting are described in the enclosed Notice of Annual and Special Meeting and Management Information Circular. No matter how many shares you hold, your participation at this meeting is very important. If you are unable to attend the meeting in person, we encourage you to vote by following the instructions included on the enclosed proxy form and returning the completed form in the envelope provided.

We hope you will take the time to review the enclosed Management Information Circular. During the meeting, we will discuss a number of initiatives we have undertaken this year and our plans for future growth.

We look forward to answering your questions and hope you will accept this invitation to meet the directors and executives of your Company.

We look forward to seeing you at the meeting.

Sincerely,

Sebastien Paré  
*President and Chief Executive Officer*

May 14, 2018



## VIQ SOLUTIONS INC.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO: THE SHAREHOLDERS OF VIQ SOLUTIONS INC.

TAKE NOTICE that the Annual and Special Meeting (the "**Meeting**") of the shareholders of VIQ Solutions Inc. ("**VIQ**" or the "**Company**") will be held at 5915 Airport Road, Suite 700, Mississauga, Ontario, on Wednesday, June 20, 2018 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive and consider the financial statements of the Company for the year ended December 31, 2017 and the auditor's report thereon;
2. to consider, and if thought advisable, to pass a special resolution to fix the number of directors to be elected at the Meeting at five (5);
3. to consider and, if thought appropriate, to pass an ordinary resolution electing five (5) directors of the Company for the ensuing year;
4. to consider and, if thought appropriate, to pass an ordinary resolution appointing the auditors of the Company and authorizing the directors to fix their remuneration;
5. to consider and, if thought appropriate, to pass, with or without variation, an ordinary resolution approving the Company's stock option plan, as more particularly described in the accompanying management information circular (the "Information Circular");
6. to transact such other business as may properly be brought before the Meeting or any adjournment(s) thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying and forming part of this Notice.

Shareholders of VIQ who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and to mail it to or deposit it with the Secretary of VIQ, c/o TSX Trust Company, 100 Adelaide Street W, Suite 301, Toronto, Ontario, M5H 4H1. In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the above address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof.

The board of directors of VIQ has fixed the record date for the Meeting at the close of business on May 14, 2018 (the "**Record Date**"). Only shareholders of VIQ of record as at that date are entitled to receive notice of the Meeting. Shareholders of record will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date.

DATED at Mississauga, Ontario this 14<sup>th</sup> day of May, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Sebastien Paré"

*President, Chief Executive Officer and a Director*

## VIQ SOLUTIONS INC.

Information Circular  
for the Annual and Special Meeting of Shareholders  
to be held on June 20, 2018

### SOLICITATION OF PROXIES

**This Information Circular is furnished in connection with the solicitation of proxies by the management of VIQ Solutions Inc. ("VIQ" or the "Company")** for use at the Annual and Special Meeting of the shareholders (the "**Shareholders**") of the Company (the "**Meeting**") to be held on June 20, 2018 at 10:00 a.m. (Toronto time) at 5915 Airport Road, Suite, 700, Mississauga, Ontario and at any adjournment(s) thereof, for the purposes set forth in the Notice of Annual and Special Meeting of Shareholders. Instruments of Proxy must be received by the Secretary of the Company c/o TSX Trust Company, 100 Adelaide Street W, Suite 301, Toronto, Ontario, M5H 4H1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof. The Board of Directors of the Company has fixed the record date for the Meeting at the close of business on May 14, 2018 (the "**Record Date**"). Shareholders of the Company of record as at the Record Date are entitled to receive notice of the Meeting and to vote those common shares (the "**Common Shares**") of the Company included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date.

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or such 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 persons named in the enclosed Instrument of Proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than the persons designated in the Instrument of Proxy furnished by the Company, who need not be a Shareholder, to attend and act for such Shareholder at the Meeting. To exercise such right, the names of the persons designated by management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.**

The Company is not using "notice-and-access" to send its proxy-related materials to Shareholders, and paper copies of such materials will be sent to all Shareholders. The Company will send proxy-related materials directly to non-objecting Beneficial Shareholders (as defined herein) in accordance with National Instrument 54-101 – *Communication with Beneficial Owners of a Reporting Issuer* and such materials will be delivered to non-objecting Beneficial Shareholders by TSX Trust Company or through the non-objecting Beneficial Shareholder's intermediary. These shareholder materials are being sent to both registered and non-registered Shareholders of the Company. If you are a non-registered Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The Company does not intend to pay for the costs of an intermediary to deliver to objecting Beneficial Shareholders the proxy related materials and Form 54-107F7 *Request for Voting Instructions Made by Intermediary* and objecting Beneficial Shareholders will not receive the materials unless their intermediary assumes the cost of delivery.

### REVOCABILITY OF PROXY

A Shareholder who has given a proxy has the power to revoke it. If a person who has given a proxy attends personally at the Meeting at which the proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed by the Shareholder or his or her attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal and signed by a duly authorized officer or attorney for the Company, and deposited at the registered office of the Company at any time up to and including the last day (other than Saturdays, Sundays and holidays) preceding the day of the Meeting at which the proxy is to be used, or any adjournment(s) thereof, or with the chairman of the Meeting on the day of the Meeting, or on the day of any adjournment thereof, prior to the commencement of the Meeting.

## PERSONS MAKING THE SOLICITATION

**The solicitation is made on behalf of the management of the Company.** The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Information Circular will be borne by the Company. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Company, who will not be specifically remunerated therefor.

No person is authorized to give any information or make any representations other than those contained in this Information Circular and, if given or made, such information or representations must not be relied upon as having been authorized to be given or made.

## EXERCISE OF DISCRETION BY PROXY

The Common Shares represented by proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot at the Meeting and, where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares shall be voted on any ballot in accordance with the specification so made.

**In the absence of such specification, the Common Shares will be voted in favour of the matters to be acted upon. The persons appointed under the Instrument of Proxy furnished by the Company are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of Meeting. At the time of printing this Information Circular, management of the Company knows of no such amendment, variation or other matter.**

## ADVICE TO BENEFICIAL SHAREHOLDERS

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

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote its Common Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

## VOTING SHARES AND PRINCIPAL HOLDERS

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value. As at May 14, 2018 161,294,113 Common Shares of the Company were issued and outstanding, each such Common Share carrying the right to one vote on a ballot at the Meeting. A quorum for the transaction of business at the Meeting will be present if two persons are present holding or representing by proxy in the aggregate not less than 5% of the Common Shares entitled to be voted at the Meeting.

To the knowledge of the directors and senior officers of the Company, as at the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to the Common Shares.

## MATTERS TO BE ACTED UPON AT THE MEETING

### Presentation of Financial Statements

At the Meeting, the financial statements of the Company for the fiscal year ended December 31, 2017 and the auditors' report on such statements will be placed before the Shareholders. No formal action is required or proposed to be taken at the Meeting with respect to the financial statements.

### Fixing Number of Directors

At the Meeting, it is proposed that the number of directors to be elected at the Meeting to hold office until the next annual meeting or until their successors are elected or appointed, subject to the Articles and By-laws of the Company, be fixed at five (5).

Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in connection with fixing the number of directors at five (5), the persons named in the enclosed form of proxy intend to vote FOR fixing the number of directors at five (5). In order for the vote to be effective, the special resolution must be approved by the affirmative vote of not less than 66 and 2/3% of the votes cast at the Meeting

### Election of Directors

There are presently five (5) directors of the Company. The accompanying form of proxy provides for individual voting on directors rather than slate voting. Unless the Shareholder directs that his or her Common Shares are to be withheld from voting, it is the intention of management to vote proxies in favour of a resolution electing as directors the five (5) nominees hereinafter set forth:

Larry Taylor - Chair

Sebastien Paré

Harvey Gordon

Mike Kessel

Joseph Quarin

The names and jurisdictions of residence of the persons nominated for election as directors, the number of voting securities of the Company beneficially owned, directly or indirectly, or over which each exercises control or direction, the offices held by each in the Company, the period served as director and the principal occupation of each are as follows:

Name and Jurisdiction of Residence	Number of Common Shares Beneficially Owned	Director Since	Principal Occupation
Larry Taylor <sup>(1)(2)</sup> Ontario, Canada	10,171,571	Jun, 2014	Mr. Taylor has been CEO Group Leader of CEO Global Network since 2011 and President of Taylor Made Solutions since 2009. He currently sits as an independent board member for Continental Bank of Canada as well as serving as Board Chair for the Green Energy Cooperative of Ontario and Advisory Board Chair for Spark Power Corporation. Mr. Taylor is a Chartered Professional Accountant and a Certified Management Consultant. Mr. Taylor has previously held key senior executive positions with several companies including National Money Mart, Travelex Americas and Cap Gemini Ernst & Young Canada Inc. Mr. Taylor has experience working with private equity firms to identify, acquire and combine companies to create shareholder value.
Sebastien Paré Ontario, Canada	927,595	Feb, 2015	Mr. Paré has been the Chief Executive Officer of the Company since January 2015 and has served as the President of the Company since August 2014. Prior thereto Mr. Paré served as President of CSDC Systems Inc. since May of 2004. Mr. Paré is a leading expert on digital eServices and enterprise automation for public sector agencies around the world. He has worked in North America, the Caribbean, the Middle East and West Africa. Prior to his position at the Company, he was President and Chief Operating Officer of an enterprise technology platform company dedicated to public sector digital services. Previously, he held key management roles in professional and advisory services and sales and product positions in public and private sectors in North America and in the Middle East. Mr. Paré received a Bachelor of Science from the University of Quebec at Montreal and a Master of Science from the University of British Columbia.
Harvey Gordon <sup>(1)(2)</sup> Ontario, Canada	1,632,141	Jun, 2014	Mr. Gordon is the Managing Director of Channel Solutions Inc., where he provides CEO mentoring and strategic development guidance to growth-oriented technology companies. Mr. Gordon has extensive software, professional services and technology leadership experience as the CEO of international, US and Canadian companies, both public and private. He has held key senior executive positions during high growth phases of industry leading software and service firms, including Algorithmics Inc., Changepoint Corporation, Infonet Services Corporation and Magic Lantern Group. Mr. Gordon holds a Master of Science degree in Computer Science from the University of Toronto and a Bachelor of Applied Science in Engineering Science.
Mike Kessel Ontario, Canada	33,333	Sep, 2017	Mr. Kessel is the President and CEO of Cleveland Clinic Canada and is responsible for the growth, strategic partnerships and enterprise value creation. He implemented a unique public/private hybrid strategy that led to formal partnerships with Sick Kids, Sunnybrook and Mt. Sinai Hospitals and the Heart and Stroke Foundation. He also led partnership efforts with the Ontario Ministry of Health resulting in important firsts in country and cross border patient care. Mr. Kessel earned an MBA from Kellogg Business School at Northwestern University in Chicago and a Bachelor of Science from The Ohio State University. He is also a Chartered Professional Accountant.
Joseph Quarin <sup>(1)(2)</sup> Ontario, Canada	3,569,737	Nov, 2016	Mr. Quarin was Chief Executive Officer of Progressive Waste Solutions Ltd. from January 2012 until the reverse merger announcement with Waste Connections Inc. in January 2016. Mr. Quarin was ranked #10 on the Financial Post's Top 100 CEO Scorecard 2016, delivering a two-year return of 78% to shareholders, and named one of Canada's Top 40 Under 40 in 2004. Prior to joining BFI Canada, predecessor to Progressive, in 2000, Mr. Quarin developed his finance and business management skills at Edgestone Capital Partners, KPMG Corporate Finance, Deloitte and Arthur Andersen. Mr. Quarin's experience includes corporate strategy and capital allocation, capital structure and financing growth, North American capital markets, regulatory reporting and disclosures, investor relations and liaising with institutional shareholders.

Notes:

1. The members of the Company's Audit Committee are, as at the date hereof, Larry Taylor (Chair), Harvey Gordon and Joseph Quarin.
2. The members of the Company's Compensation, Nominating and Corporate Governance Committee are, as at the date hereof, Joseph Quarin (Chair), Larry Taylor and Harvey Gordon.

The information as to Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, is based upon information furnished to the Company by the respective nominees as at the date of this Information Circular. As at the date hereof, the directors and officers of the Company, and their associates and affiliates, as a group own or control, directly or indirectly, 18,890,996 Common Shares or 11.7% of the issued and outstanding Common Shares.

### ***Majority Voting for Directors***

VIQ's board of directors has adopted a majority voting policy stipulating that if the votes in favour of the election of a director nominee at a Shareholders' meeting represent less than a majority of the Common Shares voted and withheld, the nominee will submit their resignation promptly after the meeting, for the board's consideration. The board's decision to accept or reject the resignation offer will be disclosed to the public within 90 days of the applicable Shareholders' meeting. The nominee will not participate in any board deliberations on the resignation offer unless there are not at least three directors who did not receive a majority withheld vote. The policy does not apply in circumstances involving contested director elections.

### ***Cease Trade Orders and Bankruptcies***

To our knowledge, no proposed director:

- (a) within ten (10) years of the date hereof, was a director or chief executive officer or chief financial officer of any company, including the Company that:
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (iii) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (b) has, within the ten (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 proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

In addition, no proposed director has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

### **Appointment of Auditors**

Unless the Shareholder directs that his or her Common Shares are to be withheld from voting in connection with the appointment of the auditor, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of MNP LLP, Chartered Professional Accountants, Toronto, Ontario as the auditor of the Company until the next annual meeting of shareholders and to authorize the directors to fix the auditor's remuneration. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting. MNP LLP has been the Company's auditors since July 2016.

### **Approval of Stock Option Plan**

Pursuant to Policy 4.4 (the "**Option Policy**") of the TSX Venture Exchange (the "**Exchange**") the Company is permitted to maintain a "rolling" stock option plan (the "**Option Plan**") reserving a maximum of 10% of the issued and outstanding Common Shares for issuance pursuant to stock options ("**Options**"). In accordance with the Option Policy, rolling option plans must receive Shareholder approval yearly at the Company's annual meeting.

Shareholders will therefore be asked at the Meeting to consider and, if thought advisable, to approve an ordinary resolution approving the Option Plan (the "**Option Plan Resolution**") having the terms and provisions described herein. The Shareholders of the Company initially approved the Option Plan on December 23, 2004. In February 2011, the directors of the

Company approved certain "housekeeping" modifications to the Option Plan, which were later ratified by the Shareholders on June 23, 2011, that provided for the following changes:

- (i) a provision that provides if the normal expiry date of an Option falls within any black-out period (being a period of time when pursuant to any policies of the Company, any securities of the Company may not be traded by certain persons as designated by the Company), the expiry date of such Options shall be extended to the date that is ten business days following the end of such black-out period;
- (ii) a provision that provides if there takes place a "change of control" (as such term is defined in the Option Plan) of the Company, all issued and outstanding Options shall be exercisable (whether or not then vested) immediately prior to the time such change of control takes place and shall terminate on the 90th day after the occurrence of such change of control, or at such earlier time as may be established by the Board of Directors, in its absolute discretion, prior to the time such change of control takes place; and
- (iii) a provision entitling the Company to deduct or withhold or require an option holder to remit to the Company the required amount to satisfy federal, provincial, and local taxes, domestic or foreign, required by law or regulation.

In addition, on April 16, 2015, the Board of Directors approved certain additional amendments to the Option Plan to provide the Board of Directors (or any committee delegated by the Board of Directors to administer the Option Plan) the discretion to subsequently extend the expiry date of any Option granted under the Option Plan beyond the 90 day period provided for in the Option Plan (subject to a maximum of one year) in the event an optionee ceases to be a director or employee of the Company, or ceases to provide ongoing management or consulting services to the Company, as the case may be.

In addition to the provisions described above, the Option Plan provides for the granting of Options to purchase Common Shares of the Company to directors, officers, employees and consultants (as permitted by applicable law). The Option Plan is administered by the Board of Directors, or a committee of the Board of Directors appointed from time to time for such purpose. Options may be granted at the discretion of the Board of Directors or a committee thereof, in such number that may be determined at the time of grant, subject to the limits set out in the Option Plan. The aggregate number of Common Shares reserved for issuance upon exercise of the Options granted under the Option Plan must not exceed 10% of the number of Common Shares that are issued and outstanding. The number of Common Shares issuable upon the exercise of the Options granted to any one individual, within a one-year period, cannot exceed 5% of the number of Common Shares issued and outstanding. The Company currently has 11,809,363 outstanding Options, at exercise prices ranging from \$0.05 to \$0.30.

The exercise price of Options granted under the Option Plan will be fixed by the Board of Directors, or a committee thereof, at the time of grant, provided that such exercise price may not be less than the Discounted Market Price (as defined in the Exchange's policies) of the Common Shares, or such other prices as may be determined under the applicable rules and regulations of all regulatory authorities to which the Company is subject, including the Exchange. The Options granted under the Option Plan will vest on a basis and will be exercisable for a period not exceeding five years, as determined by the Board of Directors, or a committee thereof, at the time of grant. In the absence of any determination by the Board of Directors as to vesting, vesting shall be as to one third on the date of grant and one third on each of the first and second anniversaries of the date of grant.

The foregoing summary is subject to the specific provisions of the Option Plan (as amended), a copy of which is attached hereto as Schedule "A".

Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution in the following form:

**"BE IT RESOLVED** as an ordinary resolution of the Shareholders of the Company that:

1. the stock option plan of the Company (the "**Option Plan**"), on the terms described in the management information circular of the Company dated May 14, 2018 be and the same is hereby ratified and confirmed until the next annual meeting of the Company;
2. any one director or officer of the Company be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution; and
3. notwithstanding that this resolution has been passed by the Shareholders of the Company, the ratification and approval of the Option Plan is conditional upon receipt of final approval from the TSX Venture Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the Shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

It is the intention of management to vote the proxies in the accompanying form in favour of the Option Plan Resolution.

## DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

Securities legislation requires the disclosure of the compensation received by each “Named Executive Officer” (“**Named Executive Officer**”) of the Company for the most recently completed financial year. “Named Executive Officer” is defined by the legislation to mean: (i) the Chief Executive Officer of the Company; (ii) the Chief Financial Officer of the Company; (iii) the Company’s next most highly compensated executive officer or the next most highly compensated individual acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a “Named Executive Officer” under paragraph (iii) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year. For the financial year ended December 31, 2017, the Company’s Named Executive Officers include; Sebastien Paré, Chief Executive Officer; George Kempff, Chief Financial Officer; and Malcolm Macallum, Chief Innovation Officer.

The Compensation, Nominating and Corporate Governance Committee (the “**Compensation Committee**”) administers the Company's executive compensation program for, among others, our Named Executive Officers as well as our Board of Directors.

### Objectives of Executive Compensation Program

The Compensation Committee has primary responsibility for determining executive remuneration and for the design and review of the Company's compensation plans. In fulfilling this role, the Compensation Committee seeks to:

- provide total compensation that is closely linked to the Company's performance and to the individual performance of the Named Executive Officers;
- align the interests of the Company's executive officers with those of its shareholders through incentive stock options; and
- ensure that compensation and benefits are at levels such that the Company is able to attract and retain the caliber of executives and officers it needs to achieve its desired growth and performance targets.

In reviewing and recommending executive compensation in 2017, the Compensation Committee examined the base salaries, short-term incentive bonuses and long-term incentives individually and as part of a total compensation package for the Named Executive Officers.

### Elements of Executive Compensation Program

Our executive compensation program has three principal components:

- base salary;
- short-term incentives (paid in cash); and
- long-term, equity-based incentives.

We believe that this variable compensation encourages high performance, promotes accountability and ensures that the interests of our Named Executive Officers are aligned with the interest of Shareholders by linking individual performance and increases in shareholder value to compensation.

In establishing the Company's executive compensation program, the Compensation Committee also considers the implication of the risks associated with the Company's compensation program, including:

- The risk of executives taking inappropriate or excessive risks.
- The risk of inappropriate focus on achieving short-term goals at the expense of long-term return to shareholders.
- The risk of encouraging aggressive accounting practises.
- The risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety compliance.

While no program can fully mitigate these risks, the Company believes that many of these risks are mitigated by:

- Weighting the Company's long-term incentives towards share ownership and vesting long-term incentives over a number of years.
- Establishing uniform incentive programs for all executive officers and employees.

- Avoiding narrowly focused performance goals which may encourage loss of focus on providing long-term shareholder return and retaining adequate discretion to ensure the Compensation Committee and Board retain their business judgment in assessing actual performance.
- Establishing a strong "tone at the top" for accounting, regulatory, environmental and health and safety compliance.

#### *Base Salary*

The objectives of base salary are to provide a fixed level of competitive pay that recognizes and acknowledges the competencies and skills of individuals and rewards individual contributions. We use a variety of methods in determining appropriate levels of salary and bonus payable to our executive officers, based on relevant market data concerning the market place and our peer group (as further discussed below under "*Determination of Compensation*"). This data is then used as a basis for determining, among other things, the executive officer's base salary.

#### *Annual Incentives*

We provide a short-term incentive plan in which the Named Executive Officers participate. This incentive plan is intended to reward achievement of short-term financial performance and milestones and focus on key financial, strategic and other business objectives. Our short-term incentive plan provides for performance incentives based on the achievement of certain milestones up to targeted percentages of base salary based on market benchmarking. The Board of Directors, based on the recommendations of the Compensation Committee, uses their discretion and subjective judgement as to what milestones may be applicable for a particular year and the milestones and performance criteria may vary from year to year. The extent to which the milestones have been achieved is also determined subjectively by the Board of Directors, based on the recommendations of the Compensation Committee. The maximum bonus upon achievement of the milestones is 70% of the current base salary for the Chief Executive Officer and 50% of current base salary for the Chief Innovation Officer.

#### *Long-term Incentives*

Long-term compensation is designed to align the executive's personal interests with the long-term interests of the Company and its Shareholders. Our long-term compensation consists of our Option Plan pursuant to which we grant Options to certain employees and officers to purchase Common Shares at a fixed price, linking the executive compensation directly to the future appreciation in the price of our shares (see "*Incentive Plan Awards*" for a detailed description of the Option Plan).

### **Determination of Compensation**

In reviewing and recommending executive compensation in 2017, the Compensation Committee examined the base salaries, short-term incentive bonuses and long-term incentives individually and as part of a total compensation package for the Named Executive Officers.

The Company's reference market for the purpose of benchmarking executive compensation includes publicly-listed technology companies of comparable size, complexity, location, market capitalization and revenue. The following companies are considered comparative companies: CounterPath Corporation, Pure Technologies Ltd and Posera Ltd (collectively, the "**Peer Group**").

In respect of compensation, the Compensation Committee has used a guideline that each Named Executive Officer's compensation package should be in the 50<sup>th</sup> percentile of each component (base salary, annual performance bonus and long-term incentives) as well as total compensation, relative to similar positions of the Peer Group. If needed, the Compensation Committee has made adjustments to reflect market trends, individual performance (including achievement of the benchmarks described in "**Annual Incentives**") and level of experience. This approach allows us to differentiate salaries that reflect a range of experience and performance levels among our executives and determines the basis on which the Compensation Committee sets the salaries and other forms of compensation of the Named Executive Officers.

In all cases, compensation was determined with reference to the financial and strategic imperatives of the Company, the responsibilities of the position, the performance of the incumbent, the competitive marketplace for qualified executive talent and the compensation practices of the Peer Group. Annual incentives are determined with reference to both overall corporate performance and achievement of individual objectives. In 2017, corporate objectives included financial targets for revenue, gross margin, sustainability, technological leadership, strategic partnerships and investor relations advancement. These objectives were also part of the basis for certain of the milestones and benchmarks used in 2017 for evaluating the Named Executive Officers' cash bonuses. See "*Executive Compensation – Summary Compensation Table*."

### **Composition of the Compensation, Nominating and Corporate Governance Committee**

During 2017, Joe Quarin (Chair), Harvey Gordon and Larry Taylor served as members of the Compensation Committee. Each member of the Compensation Committee (being Mr. Quarin, Mr. Gordon and Mr. Taylor) is "independent" for the purpose of National Instrument 58-101 – *Corporate Governance Guidelines* ("NI 58-101"). For a description of the skills and experience of each current member of the Compensation Committee enabling such person to consider and make

decisions regarding the suitability of the Company's compensation policies and practices, please refer to the respective biography of each member of the Compensation Committee set forth under the heading "*Election of Directors*".

### **Mandate and Terms of Reference of the Compensation Committee**

The Board has adopted a mandate for the Compensation Committee which has, as part of its mandate, the responsibility for reviewing matters relating to the human resource policies and compensation of the directors, officers and employees of the Company in the context of the budget and business plan of the Company. Without limiting the generality of the foregoing, the Compensation Committee has the following duties:

- (i) to review the compensation philosophy and remuneration policy for officers of the Company and to recommend to the Board changes to improve the Company's ability to recruit, retain and motivate officers;
- (ii) to review and recommend to the Board the retainer and fees to be paid to members of the Board;
- (iii) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer and to evaluate the Chief Executive Officer's performance in light of those corporate goals and objectives, and determine (or make recommendations to the Board with respect to) the Chief Executive Officer's compensation level based on such evaluation;
- (iv) to review and approve corporate goals and objectives relevant to officer (other than the Chief Executive Officer) and director compensation;
- (v) to review management's recommendation for proposed stock option and other incentive compensation plans and equity-based plans for officer (other than the Chief Executive Officer) and director compensation and make recommendations in respect thereof to the Board;
- (vi) to administer the Option Plan approved by the Board in accordance with its terms including the recommendation to the Board of the grant of Options in accordance with the terms thereof;
- (vii) to determine and recommend for approval of the Board bonuses to be paid to officers and employees of the Company and to establish targets or criteria for the payment of such bonuses, if appropriate; and
- (viii) to prepare and submit a report of the Compensation Committee for inclusion in annual disclosure required by applicable securities laws to be made by the Company required to be included in the information circular – proxy statement of the Company and review other executive compensation disclosure before the Company discloses such information.

The Compensation Committee is required to be comprised of at least three directors of the Company or such greater number as the Board may determine from time to time, provided that if a vacancy on the Compensation Committee exists the remaining members of the Compensation Committee may exercise all powers of the Compensation Committee provided a quorum (minimum of two persons) exists. All members of the Compensation Committee are required to be independent as such term is defined for purposes of National Instrument 58-101. The Board is, from time to time, to designate one of the members of the Compensation Committee to be the Chair of the Compensation Committee. Pursuant to the mandate of the Compensation Committee, meetings of the Compensation Committee are to take place at least one time per year and at such other times as the Chair of the Compensation Committee may determine.

### **Compensation of Directors**

During 2017, the independent directors of the Company did not receive cash compensation so as to preserve the capital of the Company. During the year, Larry Taylor received 500,000 Options and Mike Kessel received 500,000 Options upon joining the Board of Directors. During 2016 each independent director, being Larry Taylor, Harvey Gordon and George Kempff were each granted 66,666 deferred share units and Joe Quarin was granted 500,000 options upon joining the Board of Directors. In February 2018 the Board set annual compensation for the independent directors at \$24,000 in cash to be paid quarterly with an additional \$6,000 paid to Larry Taylor as Chair. In addition, Larry Taylor, Harvey Gordon and Joe Quarin each received 125,000 Options. Mike Kessel was not granted options due to his recent appointment to the Board.

## Summary Compensation Table

The following table summarizes the compensation paid to or earned by the Named Executive Officers and Directors who were serving in those capacities at the end of the two most recently completed financial years.

Table of Compensation Excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fees, Retainer or Commission	Bonus <sup>(1)</sup>	Committee or Meeting Fees	Value of Perquisites	Value of All Other Compensation	Total Compensation
Sebastien Paré <i>President and Chief Executive Officer</i>	2017	\$240,000	\$100,000	Nil	\$7,200	Nil	\$347,200
	2016	\$240,000	\$100,000	Nil	\$7,200	Nil	\$347,200
Malcolm Macallum <i>Chief Innovation Officer</i>	2017	\$195,000	Nil	Nil	\$9,000	Nil	\$204,000
	2016	\$195,000	Nil	Nil	\$9,000	Nil	\$204,000
George Kempff <sup>(2)</sup> <i>Chief Financial Officer</i>	2017	\$74,200	Nil	Nil	Nil	Nil	\$74,200
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Lawrence Tjan <sup>(3)</sup> <i>Chief Financial Officer</i>	2017	\$75,000	Nil	Nil	Nil	Nil	\$75,000
	2016	\$133,875	Nil	Nil	Nil	Nil	\$133,875
Larry Taylor <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Harvey Gordon <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Mike Kessel <sup>(4)</sup> <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
Joe Quarin <sup>(5)</sup> <i>Director</i>	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. Reflects the cash amounts awarded to the Named Executive Officer under the Company's bonus plan.
2. George Kempff was appointed Chief Financial Officer June 1, 2017 and resigned from the Board of Directors on September 12, 2017.
3. Lawrence Tjan resigned as Chief Financial Officer on May 31, 2017.
4. Mike Kessel was appointed to the Board of Directors on September 12, 2017.
5. Joe Quarin was appointed to the Board of Directors on November 14, 2016.

## Outstanding Share-Based Awards and Option-based Awards Table

The following table sets forth for each of our Directors and Named Executive Officers, all option-based awards granted during the year ended December 31, 2017.

Compensation Securities							
Name and position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Sebastien Paré <sup>(2)</sup> <i>President and Chief Executive Officer</i>	Stock Options <sup>(1)</sup>	750,000 options / 750,000 shares (0.46%)	Mar 22, 2017	\$0.22	\$0.22	\$0.29	Mar 22, 2022
Malcolm Macallum <sup>(3)</sup> <i>Chief Innovation Officer</i>	Stock Options <sup>(1)</sup>	50,000 options / 50,000 shares (0.03%)	Mar 22, 2017	\$0.22	\$0.22	\$0.29	Mar 22, 2022
George Kempff <sup>(4)</sup> <i>Chief Financial Officer</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Larry Taylor <sup>(5)</sup> <i>Director</i>	Stock Options <sup>(1)</sup>	500,000 options / 500,000 shares (0.3%)	Mar 22, 2017	\$0.22	\$0.22	\$0.29	Mar 22, 2022
Harvey Gordon <sup>(6)</sup> <i>Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Mike Kessel <sup>(7)</sup> <i>Director</i>	Stock Options <sup>(1)</sup>	500,000 options / 500,000 shares (0.3%)	Oct 3, 2017	\$0.32	\$0.32	\$0.29	Oct 3, 2022
Joe Quarin <sup>(8)</sup> <i>Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

1. Stock options vest 1/3 upon grant, 1/3 after 12 months and the remaining 1/3 after 24 months.
2. As at December 31, 2017 Sebastien Paré held 5,250,000 stock options representing 5,250,000 underlying common shares. At December 31, 2017 4,516,667 stock options had vested.
3. As at December 31, 2017 Malcolm Macallum held 450,000 stock options representing 450,000 underlying common shares. At December 31, 2017 416,667 stock options had vested.
4. As at December 31, 2017 George Kempff held 701,055 stock options and 666,666 deferred share units representing 1,367,166 underlying common shares. At December 31, 2017 701,500 stock options and 666,666 deferred share units had vested.
5. As at December 31, 2017 Larry Taylor held 1,054,987 stock options and 666,666 deferred share units representing 1,721,653 underlying common shares. At December 31, 2017 721,654 stock options and 666,666 deferred share units had vested.
6. As at December 31, 2017 Harvey Gordon held 554,987 stock options and 666,666 deferred share units representing 1,221,653 underlying common shares. At December 31, 2017 554,987 stock options and 666,666 deferred share units had vested.
7. As at December 31, 2017 Mike Kessel held 500,000 stock options representing 500,000 underlying common shares. At December 31, 2017 166,667 stock options had vested.
8. As at December 31, 2017 Joe Quarin held 500,000 stock options representing 500,000 underlying common shares. At December 31, 2017 333,333 stock options had vested.

## Exercise of Share-Based Awards and Option-based Awards Table

The following table sets forth for each of our Directors and Named Executive Officers, all option-based awards exercised during the year ended December 31, 2017.

Exercise of Compensation Securities by Directors & NEO's							
Name and position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price per Security	Date of Exercise	Closing Price of Security on Date of Exercise	Difference between Exercise Price and Closing Price on Date of Exercise	Total Value on Exercise Date
Sebastien Paré <i>President and Chief Executive Officer</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Malcolm Macallum <i>Chief Innovation Officer</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
George Kempff <i>Chief Financial Officer</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Larry Taylor <i>Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Harvey Gordon <i>Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Mike Kessel <i>Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Joe Quarin <i>Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A

## Termination of Employment, Change in Responsibilities and Employment Contracts

On August 1, 2014, the Company entered into an employment agreement with Sebastien Paré, the current President and Chief Executive Officer of the Company. The agreement is for an indefinite term unless otherwise terminated pursuant to the terms of such agreement. The agreement also provides for payments of varying amounts not exceeding 24 months' salary and bonus in lieu of notice if the executive officer is terminated without cause from his position at any time during the term of the agreement. Upon termination resulting from a change of control of the Company, the executive officer will be entitled to receive payments equaling 24 months' salary and bonus. The agreement also provides that all outstanding stock options held by Mr. Paré will immediately vest upon termination resulting from a change in control of the Company. The amounts payable to Mr. Paré pursuant to his current employment contract and the value of the in-the-money Options as at December 31, 2017 is equal to a maximum of approximately \$1,453,833. Pursuant to the terms of his employment agreement, Mr. Paré has agreed to refrain from competing with and interfering in the business of the Company for a period of one year subsequent to his termination for any reason.

On January 1, 2005, the Company entered into an employment agreement with Malcolm Macallum, the Chief Innovation Officer of the Company. The agreement is for an indefinite term unless otherwise terminated pursuant to the terms of such agreement. The agreement also provides for payments of varying amounts not exceeding 18 months salary and bonus in lieu of notice if the executive officer is terminated without cause from his position at any time during the term of the agreement. Upon termination resulting from a change of control of the Company, the executive officer will be entitled to receive payments equaling 18 months salary and bonus. The agreement also provides that all outstanding stock options held by Mr. Macallum will immediately vest upon termination resulting from a change in control of the Company. The amounts payable to Mr. Macallum pursuant to his current employment contract and the value of the in-the-money Options as at December 31, 2017 is equal to a maximum of approximately \$379,417. Pursuant to the terms of his employment agreement, Mr. Macallum has agreed to refrain from competing with and interfering in the business of the Company for a period of one year subsequent to his termination for any reason.

## Short Selling and Restrictions

In accordance with the Company's Disclosure, Confidentiality and Trading Policy, directors and officers are prohibited from knowingly selling, directly or indirectly, Common Shares or other security of the Company if the person selling such security does not own or has not fully paid for the security to be sold. Directors and officers shall not, directly or indirectly, buy or sell a call or put in respect of Common Shares or other security of the Company. Notwithstanding these prohibitions, directors and officers may sell Common Shares which such person does not own if such person owns another security convertible into Common Shares or an option or right to acquire Common Shares sold and, within 10 days after the sale, such person: (i) exercises the conversion privilege, option or right and delivers the Common Shares so associated to the purchaser; or (ii) transfers the convertible security, option or right, if transferable to the purchaser.

## Compensation Consultant or Advisor

At no time in the Company's previous two completed financial years has a compensation consultant or advisor been retained by the Company to assist the Board of Directors or the Compensation Committee to determine the compensation of the directors or executive officers of the Company.

## Incentive Plan Awards

Directors, officers, employees and consultants are eligible to participate in the Option Plan. Awards of Options are made from time to time to participants at varying levels that are generally consistent with the individual's level of responsibility within the Company. Under the Option Plan, the Company is entitled to reserve for issuance a total of 10% of the issued and outstanding Common Shares of the Company on a "rolling" basis. The criteria used to determine eligibility for granting of Options, the number of Common Shares to which each Option is exercisable into, the term of each Option and the vesting of each Option is at the discretion of the Board of Directors and the exercise price is determined by the directors based on the closing market price of the Common Shares on the date of the grant. Notwithstanding the foregoing, the exercise price may not be less than the "Discounted Market Price" prescribed by the policies of the Exchange at the time of grant. The term of an Option may not be for more than five years from the date on which it is granted. All Options are non-transferable. The maximum number of Common Shares reserved for issuance to any one individual on the exercise of Options held by that one individual may not exceed 5% of the issued and outstanding Common Shares. The officers, directors, employees and consultants of the Company hold an aggregate of 11,809,363 Options as of the date of this Information Circular. See "*Approval of Stock Option Plan*" and Schedule "A" attached to this Information Circular for further details regarding the Option Plan, including a summary of certain recent amendments thereto. In addition to the Option Plan, the Company has adopted a DSU Plan as summarized under "*Directors' Outstanding Option-based Awards and Share-based Awards*".

## Directors' Outstanding Option-based Awards and Share-based Awards

On March 17, 2015, the board of directors approved the adoption by the Company of a deferred share unit plan (the "**DSU Plan**"). The DSU Plan was designed to attract and retain talented individuals to serve as members of its board of directors and to promote the alignment of interests between such individuals and the Shareholders. The Compensation Committee is responsible for the administration of the DSU Plan. The DSU Plan was approved by Shareholders on June 17, 2015.

### *Benefits of the DSU Plan*

The DSU Plan is designed to be a long-term incentive for the directors of the Company. The Board of Directors believes that the DSU Plan has the following primary benefits:

- (a) current practice in corporate governance favours the use of deferred share units (the "**DSUs**") over options for directors because the value of the DSUs can only be realized upon the director ceasing to serve the Company, which helps to ensure that directors act in the long-term interests of the Company; and
- (b) the DSUs provide the Compensation Committee with an additional compensation tool which can be used to help retain and attract highly qualified directors and further align the interests of directors with the interest of shareholders.

### *Nature and Administration of DSU Plan*

Only non-employee directors ("**Eligible Directors**") are eligible to participate in the DSU Plan. A DSU issued under the DSU Plan is a "bookkeeping" entry representing a future right to receive one Common Share or its equivalent fair market value in cash at the time of the holder's retirement, death or the holder otherwise ceasing to be an Eligible Director. Under the DSU Plan, the Compensation Committee may, from time to time in its sole discretion, provide for the grant of DSUs to an Eligible Director and upon such grant, such Eligible Director shall become a participant ("**Participant**") in the DSU Plan; however, participation in the DSU Plan is optional. Each DSU awarded by the Company is initially equal to the value of a Common Share at the time the DSU is awarded. The value of the DSU increases or decreases as the price of the Common

Shares increases or decreases, thus promoting alignment of the interest of the Eligible Directors with the shareholders. DSUs are fully vested upon being granted and credited to an Eligible Director's account.

On the "**Distribution Date**" (being the date upon which an Eligible Director ceases service as a director of, and is not at that time an employee or officer of, the Company or an entity controlled by the Company, or such later date that the Eligible Director may elect (not to be later than December 1 of the calendar year following the calendar year in which the Eligible Director ceases such services to the Company)), the Eligible Director shall have the right to receive, at the sole election of the Company, either: (i) a cash payment equal in value to the number of DSUs recorded in the Eligible Director's account multiplied by the "**Distribution Value**" of a Common Share (being the volume weighted average trading price of the Common Shares on the Exchange for the five (5) trading days immediately preceding the applicable date), less all applicable withholdings; or (ii) one Common Share multiplied by the number of DSUs recorded in the Eligible Director's account, issued from treasury and subject to the receipt of any necessary approvals. Further, in lieu of issuing Common Shares in this respect, the Company may make the foregoing cash payment to a broker designated by the Compensation Committee, and the broker shall, as soon as practicable thereafter use all of the cash to purchase Common Shares on a securities exchange on which the Common Shares are voted and traded. The broker shall deliver to Eligible Director such Common Shares purchased as soon as practicable.

Except as specifically provided in the DSU Plan, DSUs are non-transferable by Eligible Directors.

Certificates are not issued to evidence DSUs, rather the Compensation Committee maintains a "Deferred Share Unit Account" for each participant and credits such account, as determined from time to time.

#### ***Limitations Under the DSU Plan***

Notwithstanding any other provision of the DSU Plan:

- (a) the maximum number of Common Shares issuable pursuant to outstanding DSUs at any time is limited to 2,000,000 Common Shares, provided that: (i) the maximum number of Common Shares issuable pursuant to outstanding DSUs and all other Security Based Compensation Arrangements (as defined in the DSU Plan), shall not exceed 10% of the Common Shares outstanding from time to time; and (ii) upon any DSU granted under the DSU Plan having Payment Shares (as defined in the DSU Plan) issued thereunder pursuant to the terms of the DSU Plan, or upon expiring or terminating for any reason in accordance with the terms of the DSU Plan without Payment Shares being issued in respect thereof, such number of exercised, expired or terminated DSU's shall not be available for granting under the DSU Plan;
- (b) the number of Common Shares reserved for issuance to any one Participant under all Security Based Compensation Arrangements will not exceed 5% of the issued and outstanding Common Shares;
- (c) the number of Common Shares issuable to insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares;
- (d) the number of Common Shares issued to insiders, within any one-year period, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares;
- (e) the number of DSUs granted to any one Participant in any 12 month period shall not exceed 1% of the issued and outstanding Common Shares, as calculated at the date the DSU's are granted; and
- (f) the number of DSUs granted to insiders, in aggregate, in any 12 month period shall not exceed 2% of the issued and outstanding Common Shares, as calculated at the date the DSU's are granted.

#### **Share Appreciation Rights Plan**

In July of 2015, the Company established a Share Appreciation Rights ("**SAR**") plan for certain eligible persons, including the Company's directors, officers, employees, consultants and suppliers. The SAR plan provides incentive compensation, based on the appreciation in the value of the Common Shares to the eligible persons, thereby providing additional incentive for their efforts in promoting the continued growth and success of the business of the Company. The aggregate number of units in respect of which SARs have been granted and not yet exercised, shall not at any time exceed 10% of the aggregate number of Common Shares that are then issued and outstanding. At any time on or after that date when the trading price of a Common Share is equal to or exceeds four times the fair value of a SAR at the grant date, the Company shall be entitled to require the disposition of the vested SARs by the grantee to the Company, by the Company paying the bonus in cash to the grantee. All unvested SARs vest and can be exercised within 90-days following the announcement of a change of control, or on the expiry date if earlier. In November 2017, the Board of Directors amended the SAR plan to limit the maximum appreciated value of the Common Shares to \$0.24.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information as of December 31, 2017 regarding the number of Common Shares to be issued upon the exercise of outstanding options and the weighted-average exercise price of the outstanding options in connection with the Option Plan:

<b>Plan Category</b>	<b>(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>(b) Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	13,707,694 <sup>(1)</sup>	\$0.118	2,394,884
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>Total</b>	<b>13,707,694</b>	<b>\$0.118</b>	<b>2,394,884</b>

Notes:

1. Composed of 11,707,696 stock options with a weighted average exercise price of \$0.127 and 1,999,998 DSU's with a weighted average exercise price of \$0.064

The securities referred to in the table above were granted under the Option Plan or its predecessors plans and the DSU Plan.

## INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No director, executive officer or other senior officer of the Company, or any associate of any such director or officer is, or has been at any time since the beginning of the most recently completed financial year of the Company, indebted to the Company or any of its subsidiaries nor is, or at any time since the beginning of the most recently completed financial year of the Company has, any indebtedness of any such person being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors and senior officers of the Company, nominees for director, any Shareholder who beneficially owns more than 10% of the Common Shares, or any other Informed Person (as such term is defined in National Instrument 51-102) or any known associate or affiliate of such persons in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Certain of the Company's directors are associated with other companies or entities, which may give rise to conflicts of interest. In accordance with the *Business Corporations Act* (Ontario), a director who is a director or officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Company is required, subject to certain exceptions, to disclose that interest and abstain from voting on any resolution to approve that contract. In addition, the directors are required to act honestly and in good faith with a view to the Company's best interests.

## INTEREST OF CERTAIN PERSONS OR COMPANIES IN THE MATTERS TO BE ACTED UPON

Except with respect to the election of directors, the appointment of the auditor or as otherwise set forth elsewhere in this Information Circular, no director or executive officer of the Company, no person who has held such a position since the beginning of the last completed financial year of the Company, no nominee for election as a director of the Company, and no associate or affiliate of any 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.

## CORPORATE GOVERNANCE DISCLOSURE

Set forth below is a description of the Company's current corporate governance practices, as prescribed by Form 58-101F2, which is attached to NI 58-101. The requirements of Form 58-101F2 are set out below in italics:

### **Board of Directors**

The Board discharges its responsibility for overseeing the management of the Company's business by delegating to the Company's senior officers the responsibility for day-to-day management of the Company. The Board discharges its responsibilities both directly and through its committees, the Audit Committee and the Compensation, Nominating and Corporate Governance Committee. Only independent members may serve on any of the foregoing committees of the Board. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address certain issues of a more short-term nature. Each of the standing committees of the Board has its own charter. The charter sets forth the responsibilities of each committee, procedures of the committee and how the committee will report to the Board.

Directors must fulfill their responsibilities consistent with their fiduciary duty to the Company, in compliance with all applicable laws and regulations.

In discharging its mandate, the Board is responsible for the oversight and review of the development of, among other things; the strategic planning process of the Company; identifying the principal risks of the business and ensuring implementation of appropriate systems to manage these risks; succession planning, including appointing, training and monitoring senior management; a communications policy for the Company to facilitate communications with investors and other interested parties; and the integrity of the Company's internal control and management information systems.

In addition to those matters which, by law, must be approved by the Board, approval by the Board is required for; the Company's annual business plan and budget; major acquisitions or dispositions by the Company; and transactions that are outside the Company's existing business.

*Disclose the identity of directors who are independent.*

The Board of Directors' determination as to each director's independence is made in accordance with the guidelines set forth in NI 58-101. The Board of Directors considers Larry Taylor, Harvey Gordon, Mike Kessel and Joseph Quarin to be independent directors.

*Disclose the identity of directors who are not independent and describe the basis for that determination.*

The Board of Directors does not consider Sebastian Paré to be an independent director by virtue of being the current President and Chief Executive Officer of the Company. Currently, the majority of directors of the Company are considered independent.

### **Directorships**

*If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.*

None of the current directors nor any of the proposed directors of the Company are presently directors of other reporting issuers.

### **Orientation and Continuing Education**

*Briefly describe what measures the Board of Directors takes to orient new directors and briefly describe what measures, if any, the board takes to provide continuing education for its directors.*

Pursuant to the Board of Directors' mandate, it is the responsibility of the Board of Directors to provide an orientation program for new directors and ongoing educational opportunities for all directors. The Board of Directors will from time to time arrange for presentations by key personnel or qualified outside consultants concerning topics relating to the Company's business, changes to the Company's legal and regulatory framework and corporate and Board of Directors governance. The Board of Directors also encourages directors to attend external continuing education programs designed for directors of public companies and offers some financial support in this regard.

### **Ethical Business Conduct**

*Describe what steps the Board of Directors takes to encourage and promote a culture of ethical business conduct.*

We have adopted a written Code of Business Conduct and Ethics (the "**Code**") which governs the behaviour of our directors, officers and employees. The Code also includes provisions required by the Exchange that are applicable to our Chief Executive Officer, Chief Financial Officer and other senior officers. The Board of Directors, through the Nomination and Corporate Governance Committee, oversees compliance with the Code. Any deviations from or amendments to the Code will

be publicly disclosed. Directors, officers and employees are required to provide a written acknowledgement to the Company that they have read and understand the Code.

The Board of Directors has also adopted a "Whistleblower Policy" wherein employees, consultants and external stakeholders of the Company are provided with a mechanism by which they can raise concerns in a confidential, anonymous process.

### **Nomination of Directors**

*Describe the process by which the Board of Directors identifies new candidates for Board of Directors nomination.*

The Board of Directors has a Compensation Committee composed entirely of independent directors. Annually, the Compensation Committee assesses the size of the Board of Directors, the competencies, skills and personal qualities required of the Board of Directors as a whole and directors individually in order to add value to the Company, and the competencies, skills and personal qualities of existing directors. Based on this assessment, the Compensation Committee will consider whether to recommend any changes to the composition of the Board of Directors. When required, the Compensation Committee will evaluate potential candidates having regard to the background, employment and qualifications of possible candidates and will consider whether the candidate's competencies, skills and personal qualities are aligned with the Company's needs.

### **Compensation**

*Describe the process by which the board determines the compensation for the issuer's directors and officers.*

The process by which the Board of Directors determines the compensation of the Company's directors is as follows:

The Compensation Committee has the responsibility, among other things, for making recommendations to the Board of Directors in respect of directors' compensation. In arriving at its recommendations, the Compensation Committee conducts a periodic review of directors' compensation and compensation data for directors of reporting issuers of comparative size to the Company.

The compensation of the Board of Directors is described in this information circular under the heading "*Director and Named Executive Officer Compensation*".

The process by which the Board of Directors determines the compensation of the Company's officers is described in this Information Circular under the heading "*Statement of Executive Compensation – Compensation Discussion and Analysis*".

### **Other Board of Directors Committees**

*If the Board of Directors has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.*

Except as described below, the Board of Directors has no standing committees other than the Audit Committee and the Compensation Committee.

Pursuant to its Disclosure Policy, the Company formed a Disclosure Committee in January 2006, which committee is comprised of our President and Chief Executive Officer and our Chief Financial Officer. The primary purpose of the Disclosure Committee is to establish, maintain, review and evaluate our disclosure controls and procedures, consider the materiality of information and ensure compliance with disclosure obligations on a timely basis. The Disclosure Committee also carries out the necessary due diligence to ensure that all material information that could be required to be disclosed is accumulated, verified and communicated to the committee, senior management and our Board of Directors in a timely manner.

### **Assessments**

*Disclose what steps, if any, the Board of Directors takes to satisfy itself that the Board of Directors, its committees, and its individual directors are performing effectively.*

The Board of Directors is responsible for ensuring that the Board of Directors, its committees and each individual director are regularly assessed regarding their respective effectiveness and contribution. An assessment will consider, in the case of the Board of Directors or a Board of Directors committee, its mandate or charter and in the case of an individual director, any applicable position description, as well as the competencies and skills each individual director is expected to bring to the Board of Directors.

## **MANAGEMENT CONTRACTS**

There are no management functions of the Company which are to any substantial degree performed by a person or a company other than the directors or executive officers of the Company.

## AUDIT COMMITTEE INFORMATION

### Audit Committee Mandate and Terms of Reference

The Audit Committee of the Board of Directors (the "**Audit Committee**") is a committee established for the purpose of overseeing the accounting and financial reporting process of the Company and annual external audits of the consolidated financial statements. The mandate and responsibilities of the Audit Committee (the "**Mandate**") is attached hereto as Schedule "B".

### Composition of the Audit Committee

The members of the Audit Committee, being Messrs., Taylor (Chair), Gordon, and Quarin, are independent (in accordance with National Instrument 52-110 *Audit Committees* ("NI 52-110")).

In addition, the members of the Audit Committee have education and experience relevant to the performance of their responsibilities as Audit Committee members and are all considered "financially literate" pursuant to NI 52-110. The education and experience of the members of the Audit Committee is as follows:

Larry Taylor is a Chartered Professional Accountant and a Certified Management Consultant. Mr. Taylor has held senior executive positions with several companies including National Money Mart, Travelex Americas and Cap Gemini Ernst & Young Canada Inc. Mr. Taylor is financially literate.

Harvey Gordon has previously held key senior executive positions with several industry leading software and service firms, including Algorithmics Inc., Changepoint Corporation, Infonet Services Corporation and Magic Lantern Group. Mr. Gordon is financially literate.

Joe Quarin was Chief Executive Officer of Progressive Waste Solutions Ltd. Prior to joining BFI Canada, predecessor to Progressive, in 2000, Mr. Quarin developed his finance and business management skills at Edgestone Capital Partners, KPMG Corporate Finance, Deloitte and Arthur Andersen. Mr. Quarin's experience includes corporate strategy and capital allocation, capital structure and financing growth, North American capital markets, regulatory reporting and disclosures, investor relations and liaising with institutional shareholders. Mr. Quarin is financially literate.

### Audit Committee Oversight

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

### Pre-Approval of Policies and Procedures

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Company by its external auditors.

### External Auditor Service Fees

The following table discloses fees billed to us by our external auditors.

<u>Type of Service Provided</u>	<u>2017</u>	<u>2016</u>
Audit fees <sup>(1)</sup>	\$92,000	\$85,000
Audit-related fees <sup>(2)</sup>	6,440	10,950
Tax fees <sup>(3)</sup>	20,330	10,000
All other Fees	Nil	Nil
Total	<u>\$118,770</u>	<u>\$105,950</u>

Notes:

- "Audit Fees" include the aggregate fees billed by the Company's external auditor for professional services rendered by the external auditor for the audit of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements.
- "Audit-Related Fees" include the aggregate fees billed for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit of the Company's financial statements and are not reported under "Audit Fees".
- "Tax Fees" include the aggregate fees billed for professional services rendered by the Company's external auditor for tax compliance, tax advice, and tax planning and include corporate tax returns and preparation of SR&ED returns.

## **Exemption**

As the Company is listed on the Exchange, it is exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110 pursuant to section 6.1 of NI 52-110. The Company is compliant with Part 3 but relies on the exemption for Part 5 of NI 52-110.

## **OTHER MATTERS**

Management knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting of Shareholders. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

## **ADDITIONAL INFORMATION**

Additional information respecting the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information respecting the Company is provided in the Company's comparative financial statements and management's discussion and analysis for its most recently completed financial year. Security holders can access this information on SEDAR or by request to the Chief Financial Officer of the Company at the following address:

VIQ Solutions Inc.  
5915 Airport Road, Suite 700  
Mississauga, Ontario L4V 1T1  
(905) 948-8266

DATED at Mississauga, Ontario, this 14th day of May, 2018.

BY ORDER OF THE BOARD

(signed) "Sebastien Paré"  
Chief Executive Officer

**SCHEDULE "A"**  
**VIQ SOLUTIONS INC.**  
**STOCK OPTION PLAN**

**1. Purpose of Plan**

The purpose of this plan (the "**VIQ Solutions Stock Option Plan**") is to develop the interest of Directors, Officers, Employees and Consultants of VIQ Solutions Inc. and its subsidiaries (collectively, the "**Corporation**") in the growth and development of the Corporation by providing them with the opportunity through share purchase options to acquire an increased proprietary interest in the Corporation.

**2. Administration**

The VIQ Solutions Stock Option Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of Directors appointed from time to time by the Board of Directors of the Corporation (such committee, or if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Committee**") pursuant to rules of procedure fixed by the Board of Directors of the Corporation.

**3. Granting of Options**

The Committee may from time to time designate bona fide Directors, Officers, Employees and Consultants of the Corporation (or in each case their personal holding companies) (collectively, the "**Optionees**"), to whom options ("**Options**") to purchase common shares ("**Common Shares**") of the Corporation may be granted, and the number of Common Shares to be optioned to each, provided that:

- (a) the total number of Common Shares issuable pursuant to the VIQ Solutions Stock Option Plan shall not exceed 10% of the aggregate number of Common Shares of the Corporation outstanding, subject to adjustment as set forth herein, and further subject to the applicable rules and regulations of all regulatory authorities to which the corporation is subject, including the TSX Venture Exchange (the "**TSXV**");
- (b) the number of Common Shares reserved for issuance on exercise of Options, within a one-year period, to any one Optionee shall not exceed 5% of the Outstanding Common Shares;
- (c) the aggregate number of Common Shares reserved for issuance on exercise of Options, within a one-year period, to any one Consultant may not exceed 2% of the Outstanding Common Shares;
- (d) the aggregate number of Common Shares reserved for issuance on exercise of Options, within a one-year period, to persons employed to provide Investor Relations Activities may not exceed 2% of the Outstanding Common Shares;
- (e) the maximum number of Common Shares reserved for issuance on exercise of Options granted to Insiders at any time may not exceed 10% of the number of Outstanding Common Shares;
- (f) the maximum number of Common Shares issuable on exercise of Options granted to Insiders within a 12 month period, shall not exceed 10% of the number of Outstanding Common Shares; and
- (g) the maximum number of Common Shares which may be issued on exercise of Options to any one Optionee and the Associates of such Insider, within a 12 month period, may not exceed 5% of the number of Outstanding Common Shares;

provided that for the purposes of paragraphs (e), (f) and (g) above, an entitlement granted prior to the grantee becoming an Insider may be excluded in determining the number of Common Shares issuable to Insiders. The Common Shares that are reserved for issuance on exercise of Options granted pursuant to this VIQ Solutions Stock Option Plan that are cancelled, terminated or expired in accordance with terms of the VIQ Solutions Stock Option Plan prior to the exercise of all or a portion thereof shall be available for a subsequent grant of Options pursuant to this VIQ Solutions Stock Option Plan.

**4. Vesting**

The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, provided that vesting provisions shall be included in all grants of Options that provide that the Options shall vest no sooner than one third on the date of grant and one third on each of the second and third anniversaries of the date of grant, subject to any revisions in such vesting requirements that may be mandated from time to time, by TSXV policy.

Notwithstanding any other provision in this VIQ Solutions Stock Option Plan, and subject to terms of any employment agreements between the Corporation and any officers of the Corporation, vesting of Options shall accelerate and Options shall be exercisable (whether or not then vested) immediately prior to the time that a Change of Control takes place and as otherwise provided herein. Further the Committee may, at its sole discretion at any time or in the option agreement in respect of any Options granted, accelerate or provide for the acceleration of vesting of Options previously granted. All Options shall terminate on the 90<sup>th</sup> day after the date a Change in Control takes place or at such earlier time as may be established by the Board of Directors of the Corporation, in its absolute discretion, prior to the time such Change in Control takes place.

## 5. Exercise Price

The exercise price (the "**Exercise Price**") of any Option shall be fixed by the Committee when such Option is granted, provided that such price shall not be less than the Discounted Market Price of the Common Shares, or such other price as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the TSXV.

In the event that the Corporation proposes to reduce the Exercise Price of Options granted to an Optionee who is an Insider of the Corporation at the time of the proposed amendment, said amendment shall not be effective until disinterested shareholder approval has been obtained in respect of said Exercise Price reduction.

## 6. Option Terms

The period during which an Option is exercisable shall, subject to the provisions of the VIQ Solutions Stock Option Plan requiring acceleration of rights of exercise, be such period as may be determined by the Committee at the time of grant, but subject to the rules of any stock exchange or other regulatory body having jurisdiction (presently restricted to five years). Each Option shall, among other things, contain provisions to the effect that the Option shall be personal to the Optionee and shall not be assignable or transferable. In addition, each Option shall provide that:

- (a) subject to subparagraph 6(b) below, upon the death of the Optionee, the Option shall terminate on the date of death, unless the Optionee was a Director, officer, Employee or Consultant of the Corporation at least one year following the date of grant of the Options in question, in which case the options shall terminate on the date that is six months following the date of death of the Optionee;
- (b) if the Optionee shall no longer be a Director of, be in the employ of, or be providing ongoing management or consulting services to the Corporation, the Option shall terminate on the earlier of the expiry date of the Option and the expiry of the period not in excess of 90 days prescribed by the Committee at the time of grant or such later date as subsequently determined by the Committee provided such later date does not exceed one (1) year in duration, following the date that the Optionee ceases to be a Director or Employee of the Corporation, or ceases to provide ongoing management or consulting services to the Corporation, as the case may be; and
- (c) if the Option is granted to an Optionee who is engaged in Investor Relations Activities on behalf of the Corporation, the Option shall terminate on the earlier of the expiry date of the Option and the expiry of the period not in excess of 30 days prescribed by the Committee at the time of grant, following the date that the Optionee ceases to provide ongoing investor relations activities;

provided that the number of Common Shares that the Optionee (or his heirs or successors) shall be entitled to purchase until the date as determined above shall be the number of Common Shares which the Optionee was entitled to purchase on the date of death or the date the Optionee ceased to be a Director or Employee of, or ceased providing ongoing management or consulting services to, the Corporation, as the case may be.

If the normal expiry date of any Option falls within any Blackout Period or within 10 business days (being a day other than a Saturday, Sunday or other than a day when banks in Toronto, Ontario are not generally open for business) following the end of any Blackout Period (the "**Restricted Options**"), then the expiry date of such Restricted Options shall, without any further action, be extended to the date that is 10 business days following the end of such Blackout Period.

## 7. Exercise of Option

Subject to the provisions of the VIQ Solutions Stock Option Plan, an Option may be exercised from time to time by delivery to the Corporation at its head office, or such other place as may be specified by the Corporation, of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the Common Shares then being purchased.

## **8. Mergers, Amalgamation and Sale**

If the Corporation shall become merged (whether by plan of arrangement or otherwise) or amalgamated within or with another corporation or shall sell the whole or substantially the whole of its assets and undertakings for shares or securities of another corporation, the Corporation shall, subject to this Section 8, make provision that, upon exercise of an Option during its unexpired period after the effective date of such merger, amalgamation or sale, the Optionee shall receive such number of shares of the continuing successor corporation in such merger or amalgamation or the securities or shares of the purchasing corporation as the Optionee would have received as a result of such merger, amalgamation or sale if the Optionee had purchased the shares of the Corporation immediately prior thereto for the same consideration paid on the exercise of the Option and had held such shares on the effective date of such merger, amalgamation or sale and, upon such provision being made, the obligation of the Corporation to the Optionee in respect of the Common Shares subject to the Option shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

## **9. Termination of Option in the Event of Take-Over Bid**

In the event a take-over bid (as defined in the *Securities Act* (Ontario), which is not exempt from the take-over bid requirements of Part 14 of the *Securities Act* (Ontario) (or its replacement or successor provisions) shall be made for the Common Shares of the Corporation, the Corporation may in the agreement providing for the grant of Options herein provide that the Corporation may require the disposition of the Optionee and the termination of any obligations of the Corporation to the Optionee in respect of any Options granted by paying to the Optionee in cash the difference between the exercise price of unexercised Options and the fair market value of the securities to which the Optionee would have been entitled upon exercise of the unexercised Options on such date, which determination of fair market value shall be conclusively made by the Committee, subject to approval by the stock exchanges upon which the Common Shares are then listed, if required by such exchanges. Upon payment as aforesaid, the Options shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

## **10. Alterations in Common Shares**

Appropriate adjustments in the number of Common Shares optioned and in the Exercise Price, as regards Options granted or to be granted, may be made by the Committee in its discretion to give effect to adjustments in the number of Common Shares of the Corporation resulting subsequent to the approval of the VIQ Solutions Stock Option Plan by the Committee from subdivisions, consolidations or reclassifications of the Common Shares of the Corporation, the payment of stock dividends by the Corporation, or other relevant changes in the capital of the Corporation.

## **11. Option Agreements**

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to Option, the Exercise Price, provisions as to vesting (if applicable) and expiry, and any other terms approved by the Committee, all in accordance with the provisions of this VIQ Solutions Stock Option Plan. The agreement will be in such form as the Committee may from time to time approve, or authorize the officers of the Corporation to enter into, and may contain such terms as may be considered necessary in order that the Option will comply with this VIQ Solutions Stock Option Plan, any provisions respecting Options in the income tax or other laws in force in any country or jurisdiction of which the person to whom the Option is granted may from time to time be a resident or citizen, and the rules of any regulatory body having jurisdiction over the Corporation.

## **12. Regulatory Authorities Approvals**

The VIQ Solutions Stock Option Plan shall be subject to the approval, if required, of any stock exchange on which the Common Shares are listed for trading. Any Options granted prior to such approval shall be conditional upon such approval being given, and no such Options may be exercised unless such approval, if required, is given.

## **13. Amendment or Discontinuance of the VIQ Solutions Stock Option Plan**

The Committee may amend or discontinue the VIQ Solutions Stock Option Plan at any time, provided that no such amendment may, without the consent of the Optionee, alter or impair any Option previously granted to an Optionee under the VIQ Solutions Stock Option Plan, and provided further that any amendment to the VIQ Solutions Stock Option Plan will require the prior consent of the TSXV, or such other or additional stock exchange on which the Common Shares are listed for trading.

## **14. Hold Period**

In addition to any resale restrictions imposed under applicable securities laws, if required by the TSXV or any other regulatory authority, Options granted under the VIQ Solutions Stock Option Plan and Common Shares issued on exercise of such Options may be required to be legended evidencing that the Options and the Common Shares issued upon exercise of the Options are

subject to a hold period or restricted period as required by the TSXV or other applicable regulatory authority and the Optionee by accepting the Option agrees to comply therewith.

#### **15. Common Shares Duly Issued**

Common Shares issued upon the exercise of an Option granted hereunder will be validly issued and allotted as fully paid and non-assessable upon receipt by the Corporation of the Exercise Price therefore in accordance with the terms of the Option, and the issuance of Common Shares thereunder will not require a resolution or approval of the Board of Directors of the Corporation.

#### **16. Prior Plans**

This VIQ Solutions Stock Option Plan shall come into force and effect on ratification approval by shareholders of the Corporation and approval of the TSXV and entirely replaces and supersedes prior share option plans enacted by the Board of Directors of the Corporation, or its predecessor corporations.

#### **17. Tax Withholding**

The Corporation shall have the power and the right to deduct or withhold, or require an Optionee to remit to the Corporation, the required amount to satisfy federal, provincial, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the VIQ Solutions Stock Option Plan, including the grant or exercise of Options granted under the VIQ Solutions Stock Option Plan. With respect to required withholding, the Corporation shall have the irrevocable right to, and the Optionee consents to, the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to the Optionee (whether arising pursuant to the Optionee's relationship as a Director, officer or Employee of the Corporation or as a result of the Optionee providing services on an ongoing basis to the Corporation or otherwise), or may make such other arrangements satisfactory to the Optionee and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Common Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the withholding obligation net of selling costs. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Common Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Common Shares.

#### **18. No Guarantees Regarding Tax Treatment**

Optionees (or their beneficiaries) shall be responsible for all taxes with respect to any Options under the VIQ Solutions Stock Option Plan, whether arising as a result of the grant or exercise of Options or otherwise. The Board of Directors and the Corporation make no guarantees to any person regarding the tax treatment of Options or payments made under the VIQ Solutions Stock Option Plan and none of the Corporation, nor any of its Employees or representatives shall have any liability to an Optionee with respect thereto.

#### **19. Definitions**

In this VIQ Solutions Stock Option Plan, capitalized terms used herein that are not otherwise defined herein shall have the meaning ascribed thereto in the Corporate Finance Manual of the TSXV, and in particular, in policies 1.1 and 4.4 of said Corporate Finance Manual. In addition:

- (a) **"Blackout Period"** means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of an Option;
- (b) **"Change of Control"** shall be deemed to have taken place if any of the following shall have occurred:
  - (i) the purchase or acquisition, without the prior consent of the Board of Directors of the Corporation, of any Voting Shares or Convertible Securities by a Holder which results in the Holder beneficially owning, or exercising control or direction over, Voting Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Voting Shares carrying the right to cast more than 30% of the votes attaching to all Voting Shares; or
  - (ii) (A) the Corporation completes an amalgamation, arrangement, merger or other consolidation or combination of the Corporation with another corporation or entity which requires approval of the shareholders of the Corporation pursuant to its statute of incorporation, or (B) the purchase or acquisition, with or without the prior consent of the Board of Directors of the Corporation, of any Voting Shares or Convertible Securities

by a Holder which results in the Holder beneficially owning, or exercising control or direction over, Voting Shares or Convertible Securities such that, assuming only the conversion of Convertible Securities beneficially owned or over which control or direction is exercised by the Holder, the Holder would beneficially own, or exercise control or direction over, Voting Shares carrying the right to cast more than 50% of the votes attaching to all Voting Shares, and immediately following the event described in paragraphs (A) and (B) above, as the case may be, the directors of the Corporation immediately prior to such event do not constitute a majority of the board of directors (or equivalent) of the successor or continuing corporation or entity immediately following such event; or

- (iii) the election at a meeting of the Corporation's shareholders of that number of persons which would represent a majority of the Board of Directors of the Corporation, as directors of the Corporation who are not included in the slate for election as directors proposed to the Corporation's shareholders by the Corporation; or
  - (iv) the liquidation, dissolution or winding-up of the Corporation; or
  - (v) the sale, lease or other disposition of all or substantially all of the assets of the Corporation; or
  - (vi) a determination by the Board of Directors of the Corporation that there has been a change, whether by way of a change in the holding of the Voting Shares of the Corporation or otherwise, in the ownership of the Corporation's assets or by any other means, as a result of which any person or group of persons acting jointly or in concert is in a position to exercise effective control of the Corporation;
- (c) **"Convertible Securities"** means any securities convertible or exchangeable into Voting Shares or carrying the right or obligation to acquire Voting Shares;
- (d) **"Holder"** means a person, a group of persons or persons acting jointly or in concert or persons associated or affiliated, within the meaning of the Securities Act (Ontario), with any such person, group of persons or any of such persons acting jointly or in concert;
- (e) **"Outstanding Common Shares"** at the time of any share issuance or grant of Options means the aggregate number of Common Shares that are outstanding immediately prior to the share issuance or grant of Options in question on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the TSXV; and
- (f) **"Voting Shares"** means any securities of the Corporation ordinarily carrying the right to vote at elections of directors of the Corporation.

**20. Effective Date**

This VIQ Solutions Stock Option Plan (as amended from time to time) is effective on February 25, 2011.

**SCHEDULE "B"**  
**VIQ SOLUTIONS INC.**  
**AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**  
**CHARTER**

**(I) ESTABLISHMENT OF THE AUDIT COMMITTEE**

The board of directors (the "Board") of VIQ Solutions Inc. (the "Corporation") has established a committee of the Board to be called the Audit Committee (the "Committee").

**(II) PURPOSE AND AUTHORITY**

The primary function of the Committee is to assist the Board in fulfilling its oversight responsibilities by:

- reviewing the financial reports and other financial information provided by the Corporation to any governmental body or the public and other relevant documents;
- recommending the appointment and reviewing and appraising the audit efforts of the Corporation's independent auditor and providing an open avenue of communication among the independent auditor, financial and senior management and the Board;
- serving as an independent and objective party to monitor the Corporation's financial reporting process and internal controls, the Corporation's processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements; and
- encouraging continuous improvement of, and fostering adherence to, the Corporation's policies, procedures and practices at all levels.

The Committee will primarily fulfill these responsibilities by carrying out the activities enumerated in Section IV of this Charter. The Committee has the authority to:

- engage independent counsel and other advisors as it determines necessary or advisable to carry out its duties;
- set and pay the compensation for any advisors employed by the Committee;
- communicate directly with the external auditors; and
- delegate to individual members or subcommittees of the Committee.

**(III) COMPOSITION AND MEETINGS**

1. The Committee shall be comprised of three or more directors as determined by the Board. Every Committee member must be "independent" and "financially literate" as such terms are defined in applicable securities legislation. For purposes of this Charter, a Committee member is "independent" if the member has no direct or indirect material relationship with the Corporation, including a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. A Committee member is "financially literate" if he or she 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. Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Corporation or an outside consultant.
2. The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors shall be duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. The Committee shall meet at least four times annually, or more frequently as circumstances require. The Committee shall meet within sixty (60) days following the end of the first three financial quarters to review, discuss and recommend for approval by the Board the unaudited financial results for the preceding quarter and the related Management's Discussion & Analysis ("MD&A") and shall meet within 120 days following the end of the fiscal year end to review, discuss and recommend for approval by the Board the audited financial results for the year and related MD&A.
4. The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary. For purposes of performing their audit related duties, members of the Committee shall have full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the financial position of the Corporation with senior employees, officers and independent auditors of the Corporation.
5. As part of its job to foster open communication, the Committee should meet at least annually with management and the independent auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. In addition, the Committee or at least its Chair may meet with the independent auditor and management quarterly to review the Corporation's financial statements.
6. Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee or such greater number as the Committee shall by resolution determine.
7. Meetings of the Committee shall be held from time to time and at such place as the Committee or the Chair of the Committee shall determine upon 48 hours notice to each of members. The notice period may be waived by a quorum of the Committee. Each of the Chair of the Committee, members of the Committee, Chairman of the Board, independent auditors, Chief Executive Officer, Chief Financial Officer or Secretary shall be entitled to request that the Chair of the Committee call a meeting which shall be held within 48 hours of receipt of such request.
8. If requested by a member of the Committee, the independent auditor shall attend meetings of the Committee as required held during the term of office of the independent auditor.
9. The Committee shall appoint a Secretary to the Committee who need not be a director or officer of the Corporation. Minutes of meetings of the Committee shall be recorded and maintained by the Secretary to the Committee and shall be subsequently presented to the Committee for review and approval.
10. The Committee will regularly report to the Board on all significant matters it has considered and addressed and with respect to such other matters that are within its responsibilities, including any matters approved by the Committee or recommended by the Committee for approval by the Board. The Committee shall circulate to the Board copies of the minutes of each meeting held.

#### **(IV) RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties the Committee shall:

1. Create an agenda for the ensuing year.
2. Review and update this Charter at least annually, as conditions dictate.
3. Describe briefly in the Corporation's annual report and more fully in the Corporation's Management Information Circular the Committee's composition and responsibilities and how they were discharged.
4. Submit the minutes of all meetings of the Committee to the Board.

##### Documents/Reports Review

5. Review the Corporation's annual and interim financial statements, annual and interim MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information.
6. Ensure that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in the preceding section and must periodically assess the adequacy of those procedures.
7. Review any other reports or financial information submitted to any governmental body, or the public, including any certification, report, opinion, or review rendered by the independent auditor.

8. Review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures related to executive travel and entertainment, and review the results of the procedures performed in these areas by the independent auditor, based on terms of reference agreed upon by the independent auditor and the Committee.
9. Review with financial management and the independent auditor any filings with regulatory bodies such as securities commissions prior to filing or prior to the release of earnings. The Chair of the Committee may represent the entire Committee for purposes of this review.

#### Independent Auditor

10. Recommend to the Board the independent auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, considering independence and effectiveness and recommend the fees and other compensation to be paid to the independent auditor. Instruct the independent auditor that the Board, as the Shareholders' representative, is the independent auditor's client and that the independent auditor is required to report directly to the Committee.
11. Resolution of disagreements between management and the independent auditor regarding financial reporting.
12. Monitor the relationship between management and the independent auditor including reviewing any management letters or other reports of the independent auditor and discussing any material differences of opinion between management and the independent auditor.
13. Review and discuss, on an annual basis, with the independent auditor all significant relationships they have with the Corporation to determine their independence.
14. Review and pre-approve requests for any service engagement (in particular, non-audit services) in excess of \$15,000 annually to be performed by the independent auditor for the Corporation or its subsidiaries that is beyond the scope of the pre-approved audit engagement letter and related fees.
15. Review the performance of the independent auditor and approve any proposed discharge of the independent auditor when circumstances warrant. Consider with management and the independent auditor the rationale for employing accounting/auditing firms other than the principal independent auditor.
16. Periodically consult with the independent auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the Corporation's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.
17. Arrange for the independent auditor to be available to the Committee and the full Board as needed and meet regularly in private with the independent auditor.
18. Review the proposed audit scope, focus areas, timing and key decisions (e.g., materiality, reliance on internal audit) underlying the audit plan and the appropriateness and reasonableness of the proposed audit fees.
19. Receive and review an annual report from the external auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditors' final report.

#### Financial Reporting Processes

20. In consultation with the independent auditor, review the integrity of the Corporation's financial reporting processes, both internal and external.
21. Consider the independent auditor's judgments about the quality and appropriateness, not just the acceptability, of the Corporation's accounting principles and financial disclosure practices, as applied in its financial reporting, particularly about the degree of aggressiveness or conservatism of its accounting principles and underlying estimates and whether those principles are common practices or are minority practices.
22. Consider and approve, if appropriate, major changes to the Corporation's accounting principles and practices as suggested by management with the concurrence of the independent auditor and ensure that the accountants' reasoning is described in determining the appropriateness of changes in accounting principles and disclosure.

### Process Improvement

23. Establish regular and separate systems of reporting to the Committee by each of management and the independent auditor regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.
24. Review the scope and plans of the independent auditor's audit and reviews prior to the audit and reviews being conducted. The Committee may authorize the independent auditor to perform supplemental reviews or audits as the Committee may deem desirable.
25. Following completion of the annual audit, review separately with each of management and the independent auditor any significant changes to planned procedures, any difficulties encountered during the course of the audit and reviews, including any restrictions on the scope of work or access to required information and the cooperation that the independent auditor received during the course of the audit.
26. Review any significant disagreements among management and the independent auditor in connection with the preparation of the financial statements.
27. Where there are significant unsettled issues the Committee shall ensure that there is an agreed course of action for the resolution of such matters.
28. Review with the independent auditor and management significant findings during the year and the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented. This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Committee.
29. Review activities, organizational structure, and qualifications of the Chief Financial Officer and the staff in the financial reporting area and see to it that matters related to succession planning within the Corporation are raised for consideration with the full Board.

### Ethical and Legal Compliance

30. Review and update periodically a Code of Business Conduct and Ethics and ensure that management has established a system to enforce this Code. Review through appropriate actions taken to ensure compliance with the Code and to review the results of confirmations and violations of such Code.
31. Review management's monitoring of the Corporation's system in place to ensure that the Corporation's financial statements, reports and other financial information disseminated to governmental organizations, and the public satisfy legal requirements.
32. Review, with the Corporation's counsel, legal and regulatory compliance matters, including corporate securities trading policies, and matters that could have a significant impact on the Corporation's financial statements.
33. Review regular reports from management and others concerning the Corporation's compliance with financial related laws and regulations, such as:
  - tax and financial reporting laws and regulations;
  - legal withholdings requirements;
  - other matters for which directors face liability exposure.

### Risk Management

34. Review management's program of risk assessment and steps taken to address significant risks or exposures, including insurance coverage.

### Submission Systems and Treatment of Complaints

35. 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.

Hiring Policy

36. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former independent auditor of the Corporation.

General

37. Conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain independent counsel, accountants and other professionals to assist it in the conduct of any investigation.
38. Perform any other activities consistent with this Charter, the Corporation's By-laws and governing law, as the Committee or the Board deems necessary or appropriate.
39. Notwithstanding the foregoing and subject to applicable law, the Committee shall not be responsible to plan or conduct internal or external audits or to determine that the Corporation's financial statements are in accordance with generally accepted accounting principles as these are the responsibility of management and the independent auditor. Nothing contained in this Charter is intended to require the Committee to ensure the Corporation's compliance with applicable laws or regulation.