

## UNISYNC CORP.

### INFORMATION CIRCULAR

As at May 15, 2018

**This Information Circular and the accompanying proxy is furnished in connection with the solicitation by the management of Unisync Corp.** (the "Corporation" or "Unisync") for use at the annual and special meeting (the "Meeting") of the shareholders of the Corporation to be held on June 12, 2018 at the time and place designated in the accompanying notice of the Meeting and at any adjournment thereof.

In this Information Circular, references to the following words have the meanings indicated:

- (a) "Beneficial Shareholders" means Common Shareholders who do not hold Common Shares registered in their own name;
- (b) "Common Shares" means Common Shares in the capital of the Corporation;
- (c) the "Corporation", "we" and "our" refer to Unisync Corp.;
- (d) "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that hold registered securities on behalf of Beneficial Shareholders;
- (e) "Peerless" means Peerless Garments LP;
- (f) "Shareholders" refers to registered holders of Common Shares or to shareholders of record of Common Shares; and
- (g) "Unisync Group" means Unisync Group Limited.

### GENERAL PROXY INFORMATION

#### SOLICITATION OF PROXIES

While the primary solicitation of proxies will be by mail, some of the directors, officers and regular employees of the Corporation or agents specifically retained by it for such purpose may solicit proxies personally and by telephone, electronic mail or facsimile as deemed necessary. The expense of this solicitation by management will be paid by the Corporation.

#### APPOINTMENT AND REVOCATION OF PROXYHOLDER

A duly completed form of proxy will constitute the person named therein as the Shareholder's proxy. The persons whose names are printed in the enclosed form of proxy (the "Proxy") are officers and/or directors of the Corporation.

**A Shareholder has the right to appoint a person other than a member of management to represent the Shareholder at the meeting by striking out the names of the management representative and by inserting the desired person's name in the blank space provided in the Proxy or by executing a proxy in a form similar to the enclosed Proxy. A proxyholder need not be a shareholder of the Corporation.**

An instrument of proxy may be revoked at any time prior to the exercise thereof. An instrument of revocation must be executed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the head office of the Corporation at any time up to and including the last business day preceding the date of the Meeting, or at any adjournment thereof, at which the proxy is to be used or with the chairman of such Meeting on the day of the Meeting or any adjournment thereof.

## **VOTING BY PROXY**

All properly executed Proxies received on or before 48 hours preceding the time of the Meeting will be voted at the Meeting and, if a choice is specified with respect to any matter to be acted upon, will be voted in accordance with the instructions contained therein. In the absence of any specification, management's designees, if named as proxy, will vote in favour of the matters set out therein.

The enclosed form of Proxy also confers upon the person named therein as proxyholder discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting. As at the date of this Information Circular management knows of no such amendments, variations or other matters to come before the Meeting.

## **ADVICE TO REGISTERED SHAREHOLDERS**

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders electing to submit a proxy may do so by completing, dating and signing the enclosed form of proxy and returning it to the Corporation's transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

The proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

## **ADVICE TO BENEFICIAL SHAREHOLDERS**

The following information is of significant importance to Beneficial Shareholders, being all Shareholders who do not hold shares duly registered in their own name.

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are "non-registered" shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank, or trust company through which they purchased the shares or a clearing agency. More particularly, a person is not a registered shareholder in respect of Common Shares which are held on behalf of that person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("CDS")) of which the Intermediary is a participant. The Corporation has two kinds of Non-Registered Holders — those who have given permission to their Intermediary to disclose their ownership information, otherwise referred to as "non-objecting beneficial owners", and those who have objected to their Intermediary's disclosure of this information, otherwise referred to as "objecting beneficial owners". As allowed under Canadian provincial securities laws, the Corporation has obtained a list of non-objecting beneficial owners from Intermediaries and has used that list to distribute proxy-related materials directly to non-objecting beneficial owners. The Corporation is not sending proxy-related materials using notice-and-access procedures.

Non-objecting beneficial owners will receive a voting instruction form from Computershare Investor Services Inc. Objecting beneficial owners will receive a voting instruction form from its Intermediary.

The voting instruction form is similar to the proxy that the Corporation provided to registered shareholders; however, its purpose is limited to instructing the Intermediary or clearing agency, as the registered shareholder, on how to vote. No person will be admitted at the Meeting to vote by presenting a voting instruction form.

**To vote using the voting instruction form**, Non-Registered Holders should complete and return the voting instruction form in accordance with its instructions.

**To vote in person at the Meeting**, please refer to the instructions set out on the voting instruction form.

Recent amendments to securities legislation allow a non-objecting beneficial owner to submit to the Corporation or its Intermediary any document in writing that requests that such non-objecting beneficial owner or its nominee be appointed as proxyholder. If such a request is received, the Corporation or the Intermediary, as applicable, must arrange, without expense to the non-objecting beneficial owner, to appoint such non-objecting beneficial owner or its

nominee as a proxyholder and to deposit that proxy within the time specified in this Information Circular, provided that the Corporation or the Intermediary receives such written instructions at least one business day prior to the time at which proxies are to be submitted for use at the Meeting. Accordingly, any such request must be received at least 72 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof.

The Corporation does not intend to pay for Intermediaries to forward to objecting beneficial owners the proxy-related materials and Form 54-107F7 *Request for Voting Instructions Made by Intermediary*, and an objecting beneficial owner will not receive those materials unless the objecting beneficial owner's Intermediary assumes the cost of delivery.

If Non-Registered Holders have any questions, they should contact Computershare Investor Services Inc. if they are a non-objecting beneficial owner, or their Intermediary if they are an objecting beneficial owner.

## RECORD DATE AND VOTING PROCEDURES

The Record Date for the Meeting is May 8, 2018.

All shareholders of record and unregistered beneficial shareholders at the close of business on the Record Date will be entitled to receive Notice of the Meeting, to attend the Meeting and shall be entitled to vote or have their shares voted at the Meeting either by attending in person or by completing and delivering a form of proxy in the manner and subject to the provisions described herein.

On a show of hands or a ballot, every individual who is present as a Shareholder or as a representative of one or more corporate Shareholders, or who is holding a Proxy on behalf of a Shareholder who is not present and voting at the Meeting, shall be entitled to one vote per share on all matters placed before the Meeting.

The regulatory requirements affecting the matters proposed for approval at shareholder's meetings may require different levels or kinds of shareholder approval, including approval by 'ordinary resolution', 'special resolution' or 'disinterested shareholder approval'. The following is an explanation of what these terms mean and how they apply to the voting which will occur at the Meeting.

- (a) An **ordinary resolution** is one approved by a simple majority of the votes actually cast. This includes shareholders voting in person or by proxy. All shareholders are entitled to vote.
- (b) A **special resolution** is one approved by not less than two-thirds of the votes actually cast. This includes shareholders voting in person or by proxy. All shareholders are entitled to vote.
- (c) A **resolution requiring disinterested shareholder approval** may be either an ordinary or special resolution, as the circumstances dictate, but in either case will exclude all votes attaching to any shares held by persons with an interest in the subject matter of the resolution.

Each resolution will indicate what level or kind of shareholder approval is required.

A quorum for the transaction of business at the Meeting shall consist of not less than two (2) persons present holding or representing not less than five percent (5%) of the shares entitled to be voted at the Meeting.

## INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or any associate or affiliate of any of the foregoing, in any matter to be acted upon at the meeting except as set forth in this circular.

## INFORMATION CONCERNING THE CORPORATION

### Voting Securities and the Principal Holders of Voting Securities

The Corporation has 13,337,698 Common Shares issued and outstanding as at the Record Date.

Each Common Share entitles the holder thereof to one vote. No group of shareholders has any preferred right to elect any set number or percentage of the directors, nor are there any cumulative, weighted or similar voting rights attached to the Common Shares. Certain existing share rights are described in Schedule C.

To the knowledge of the directors, officers and management of the Corporation, after making due inquiry, there are no persons or companies beneficially owning, directly or indirectly, or exercising control or direction over 10% or more of the Common Shares of the Corporation other than the following:

Name of Corporation or Individual	Number of Shares	Percentage of Issued Shares
McLean Capital Corporation	2,000,000 Common Shares	15.0%
C. Michael O'Brian <sup>(1)</sup>	1,817,692 Common Shares	13.6%

(1) Includes 1,494,692 Common Shares held by Nairbo Investments Inc.

For the purpose of the above table, registered shareholders that are known intermediaries and therefore not beneficial owners were not included.

### **DIRECTORS' REPORT, AUDITED FINANCIAL STATEMENTS AND AUDITOR'S REPORT**

The directors of the Corporation will table before the Shareholders at the Meeting the directors' report, the audited comparative financial statements of the Corporation for the year ended September 30, 2017, the Auditor's Report hereon and the management discussion and analysis, all of which will be mailed to the Shareholders in accordance with National Instrument 51-102. These documents have been filed with the securities commissions of British Columbia, Alberta, Manitoba and Ontario. Those documents are also available through the Internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com).

### **RE-APPOINTMENT OF AUDITOR**

The Corporation's auditor is MNP LLP, Chartered Accountants. MNP LLP were first appointed the Corporation's auditor on May 24, 2016. Unless otherwise instructed, or unless the shareholder's instructions are uncertain as they relate to the appointment of the auditors, shares represented by proxies given pursuant to the solicitation by the management of the Corporation will be voted for the reappointment of MNP LLP and authorization for the directors to fix their remuneration.

An ordinary resolution approving the reappointment of MNP LLP and authorizing the directors to fix their remuneration is sought.

### **ELECTION OF DIRECTORS**

The size of the board of directors of the Corporation has been set by the directors at five. Under the Articles of the Corporation, the board has the authority to appoint one additional director following the Meeting.

The following table and the information set forth below details the names of management's nominees for election as directors, all major offices and positions with the Corporation, the period of time during which each has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date. In the case of director nominees who were not elected as directors pursuant to an information circular, their principal occupation, business or employment for the five preceding years is also disclosed.

<b>Name, Municipality of Ordinary Residence</b>	<b>Principal Occupation</b>	<b>Date Elected as a Director</b>	<b>Shares Beneficially Held</b>
BRUCE W. AUNGER <sup>(1)</sup> Maple Ridge, B.C.	Retired. Former Executive Vice-President and Chief Financial Officer of Madison Venture Corporation (diversified holding company) from 1988 to 2015	November 30, 2005	113,804 Common Shares
DOUGLAS F. GOOD New Westminster, B.C.	President and Chief Executive Officer of Unisync Corp. since August 15, 2017. Formerly Chief Executive Officer of Unisync Corp. from 2005 to March 1, 2017	November 30, 2005	751,978 Common Shares
DARRYL R. EDDY <sup>(1)</sup> Vancouver, B.C.	President of Radale Inc. (private investment holding company) and a managing director of Genpar Capital Inc.	June 24, 2011	866,872 Common Shares
C. MICHAEL O'BRIAN <sup>(1)</sup> Vancouver, B.C.	President, Nairbo Investments Inc.	November 30, 2006	1,817,692 Common Shares
JOEL R. McLEAN North Vancouver, B.C.	President, Pan Canadian Mortgage Group	September 23, 2014	26,000 Common Shares

(1) Member of the Audit Committee.

As of the Record Date, the directors and officers of the Corporation as a group owned beneficially, directly or indirectly 3,884,646 Common Shares representing 29.1% of the Common Shares. All nominees have consented to serve as directors if elected.

The persons named in the accompanying proxy intend to vote for the election as directors of the five management nominees aforementioned. In the event any nominee named below should be unable to serve, the persons named in the accompanying proxy will vote for a substitute nominee or nominees in accordance with their best judgment.

An ordinary resolution is sought electing the aforementioned management nominees to serve as directors until the next Annual Meeting or until their respective successors have been elected or appointed.

### **Corporate Cease Trade Orders**

No directors, officers, promoters or to the knowledge of Unisync any shareholder holding a sufficient number of securities of Unisync to affect materially the control of Unisync is or has been, within the ten years prior to the date of this Information Circular, the director or officer of any other issuer, that while that person was acting in that capacity, was subject to a cease trade order or similar order, or an order that denied the other issuer access to any statutory exemptions, for a period of more than 30 consecutive days, or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that issuer.

### **Executive Committee**

The Corporation does not have an executive committee of its Board of Directors.

### **Audit Committee and Relationship with Auditor**

#### *General*

The Corporation has established an Audit Committee of its board of directors.

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Corporation to disclose annually in its information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor. The Corporation, as a "venture issuer" is exempt from the composition and certain disclosure requirements of NI 52-110.

### *The Audit Committee's Charter*

The Charter of the Audit Committee which defines its mandate and outlines its powers and responsibilities has been adopted by the audit committee and has been ratified by the board of directors of the Corporation.

### *Composition of the Audit Committee*

The members of the Corporation's Audit Committee are Bruce Auger, Darryl Eddy and C. Michael O'Brian. Each Audit Committee member is 'independent' and 'financially literate' as those terms are defined in NI 52-110.

### *Relevant Education and Experience*

As a result of their education and experience, each member of the Audit Committee has familiarity with, an understanding of, or experience in:

- the accounting principles used by the Corporation to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- reviewing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements,
- an understanding of internal controls and procedures for financial reporting.

Bruce W. Auger is a retired business executive. He was formerly the Executive Vice President and Chief Financial Officer of Madison Venture Corporation from 1988 to 2015. He is a Chartered Professional Accountant by training, and was employed by Arthur Andersen, Chartered Accountants, for 11 years and served as a partner for 7 years. Mr. Auger obtained a BA degree in Commerce from Simon Fraser University. He has many years' experience in the accounting, financial, taxation and financing fields.

Darryl R. Eddy is President of Radale Inc. a private investment holding company and a managing director of Genpar Capital Inc. Mr. Eddy currently serves as a Director of various private companies and several Eddy Group companies which operate in the real estate and building product distribution industries in Eastern Canada. Mr. Eddy is a retired partner of PricewaterhouseCoopers LLP and a past Managing Director of PricewaterhouseCoopers Corporate Finance Inc.

Michael O'Brian is an independent investor and former director of C.M. Oliver Inc. where he held various positions including President, Chief Executive Officer and Chairman. Mr. O'Brian is actively involved in community affairs and a dedicated arts philanthropist. He is a Director of the Vancouver Art Gallery Foundation and a former Director of both the Vancouver Opera and the National Gallery of Canada Foundation, and a former member of the Board of Governors of Emily Carr University of Art + Design. He is also President of the Michael O'Brian Family Foundation, a foundation that is active in community events and primarily focused on the arts and children's issues.

### *Audit Committee Oversight*

Since the commencement of the Corporation's most recently completed financial year, all recommendations of the audit committee to nominate or compensate an external auditor were adopted by the board of directors.

### *Pre-Approval Policies and Procedures*

The Audit Committee ordinarily recommends the nomination and engagement of the independent auditors to audit the financial statements, and approves all audit, audit-related services, tax services and other non-audit services provided by the Corporation's auditors.

Any services provided by the Corporation's auditors which are not specifically included within the scope of the audit are pre-approved by the Audit Committee prior to engagement.

### External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by MNP LLP to ensure auditor independence. Fees incurred by the Corporation with MNP LLP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

Audit Fees:	Fiscal 2017 Fiscal 2016	\$136,000 \$139,860
Audit Related Fees:	Fiscal 2017 Fiscal 2016	Nil Nil
Tax Fees:	Fiscal 2017 Fiscal 2016	\$13,000 \$13,400
All Other Fees:	Fiscal 2017 Fiscal 2016	\$36,052 Nil

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services. This category includes fees for acquisition due diligence and forensic services.

A copy of the Charter of the Audit Committee is included as Schedule B hereto.

## CORPORATE GOVERNANCE

### General

The board of directors believes that good corporate governance improves corporate performance and ultimately enhances shareholder value. The Canadian Securities Administrators (the "CSA") adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices*, which prescribes certain disclosure by the Corporation of its corporate governance practices. This section sets out the Corporation's approach to corporate governance and addresses the Corporation's compliance with NI 58-101.

### Board of Directors

The board of directors is responsible for the establishment and of the overall corporate business plan and for the oversight of the implementation of that plan by the executive. Specifically, the board of directors approves significant operating plans, capital expenditures, acquisitions and dispositions, and equity financings. The board also oversees the management of the corporation by the executive officers.

All significant business matters are brought before the board of directors for approval. In addition to the aforementioned items, all significant financial commitments, appointments of officers, stock option grants, executive remuneration, financial statements, information circulars and proxy related materials are approved by the board of directors.

### Directors' Independence

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Corporation's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The board of directors facilitates its independent supervision over management in a number of ways including by holding meetings or portions of meetings at which members of management and non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

Other than Douglas Good who is an executive officer, the directors of the Corporation are independent.

### Other Directorships

Certain directors of the Corporation are also directors or officers of other reporting issuers. Particulars of these other directorships are set forth in the following table.

Name of Director	Name of Other Reporting Issuer
Bruce Auger	Glacier Media Inc. GVIC Communications Corp. Copper Mountain Mining Corp.
Darryl Eddy	Leading Brands, Inc.

### Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, regarding the Corporation's properties, business plans, applicable technology and industry sector(s) and on the responsibilities of directors. Board of directors meetings may also include presentations or briefings by the Corporation's management and employees to give the directors additional insight into the Corporation's business activities. Directors are also encouraged to participate in the continuing professional education opportunities that their individual professions offer.

### Ethical Business Conduct

The board of directors supports ethical business practices. To date, the board of directors has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and, in particular, the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the board of directors in which the director has an interest have been sufficient to ensure that the board of directors operates independently of management and in the best interests of the Corporation. The board of directors is considering adopting a formalized ethics policy but has not yet done so.

### Nomination of Directors

The board of directors considers its size each year when it reviews its business plan and the progress made during the past year towards accomplishing the goals set forth in the business plan. In establishing the business goals for the coming year, the board has considered the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the board of director's duties effectively while maintaining a diversity of views, expertise and experience. For the forthcoming year the board of directors considers that its size and composition is appropriate for the Corporation at this stage of its development.

The board of directors does not have a nominating committee, and these functions are currently performed by the board of directors as a whole. However, if there appears a need for change in this regard then this policy will be reviewed.

### Compensation

All compensation issues are approved by the full board of directors.

### **Other Board Committees**

The board of directors has not established other committees beyond the Audit Committee.

### **Assessments**

The board of directors monitors the adequacy of information given to directors, communication between the board of directors and management and the strategic directions and processes within and amongst the board of directors and its committees. The board of directors and its committees has considered self-assessment tools and may formalize procedures to accommodate this in the future. Overall, the board of directors is satisfied with the prospects and corporate achievements of the Corporation and believes this reflects well on the board of directors and its governance practices.

### **Position Descriptions**

Mr. Good, Chief Executive Officer, is the primary person responsible for the overall operations of the Corporation including the implementation of the Corporation's business direction as set by the board of directors from time to time. Mr. Good is supported by Richard Smith, Chief Financial Officer. Each of Mr. Good and Mr. Smith are authorized to report any corporate governance concerns to any member of the board of directors.

## **EXECUTIVE COMPENSATION**

### **Oversight and Description of Director and Named Executive Officer Compensation**

The Board is responsible for reviewing executive compensation for the CEO, the CFO and other senior officers including the senior officers of Peerless and Unisync Group. Executive compensation currently has three principal components: salary, bonus and stock options. Each executive is paid compensation that is competitive within the marketplace and the incentive plans and salaries, where applicable, are reviewed and approved on an annual basis by the Board. Bonuses are determined by specific incentive arrangements forming part of employment agreements in combination with Board set incentives targets based on a combination of performance objective and corporate earnings targets. The Corporation considers stock option grants when reviewing executive officer compensation packages as a whole.

The Corporation does not retain a compensation consultant to determine executive compensation. Rather the Board relies on the experience of the Board members to determine compensation in the context of the marketplace. The Board does not use specific benchmarks in determining executive compensation, but relies on members of the Board who have significant experience with companies similar to the Corporation.

### **Elements of Compensation**

#### **(A) Base Salary**

The Corporation believes that competitive salaries are important in attracting and retaining talented executives. During the year ended September 30, 2017, the CEO, the CFO and the executive officers of Peerless and Unisync Group were compensated in accordance with their contribution and employment arrangements.

#### **(B) Short term incentives**

In addition to base salary the Corporation considers providing named executive officers with annual short term incentive awards that are paid as cash bonuses. These awards are based on the achievement of the Corporation and individual goals. Short term incentive awards are set on an individual by individual basis based on the Boards' view of what the marketplace offers to individuals of similar roles.

#### **(C) Long term equity awards**

The named executive officers were not granted long term equity incentive awards during the year ended September 30, 2017. Certain of the named executive officers were previously granted stock options. The Board considers stock option grants to focus the officers' attention on the long term growth in shareholder value.

### Setting Executive Compensation

The Board is responsible for the administration of the Corporation's compensation programs and for setting compensation of named executive officers.

The CEO and the CFO are actively engaged in the Corporation's compensation programs and conduct annual evaluations and recommend salary adjustments and short term incentive awards, as required. The recommendations are reviewed and approved by the Board.

### Benefits and Perquisites

The Corporation benefits and perquisites offered to our named executive officers are less than \$10,000 per officer.

### Severance and Change in Control Arrangements

The Corporation has no severance and change in control arrangements except as described under "Executive Employment Agreements" below.

### Recovery of Compensation

The Corporation considers it unlikely that misconduct or mistake by the Corporation or its employees will result in a restatement of its financial statements. The Board has not developed a policy specifying the consequences with respect to past compensation payments or awards if such a restatement occurs. In the event of a restatement, the Board will develop an appropriate response to past compensation payments or rewards.

The following table sets forth the summary of the compensation paid or payable to the Chief Executive Officer of Unisync, the Chief Financial Officer of Unisync, the former Chief Executive Officer of Unisync and the Chief Executive Officer of Peerless (the "Named Executive Officers").

### Director Compensation

Director compensation is overseen by the Board as a whole. Directors of the Corporation (other than executive officers) were compensated for their services as directors in part through the grant of stock options as set out in the compensation securities table below. In addition, the Lead Director and the Audit Chair each receive \$3,250 per quarter and other independent directors receive \$2,850 per quarter.

### Compensation of Named Executive Officers and Directors

The following table sets out all compensation paid, payable, awarded or granted by the Corporation for the two most recently completed financial years of the Corporation ended September 30, 2017 and September 30, 2016 in respect of the Chief Executive Officer of Unisync, the Chief Financial Officer of Unisync, the former Chief Executive Officer of Unisync and the Chief Executive Officer of Peerless and Directors of Unisync, excluding compensation securities.

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Douglas F. Good <i>Chief Executive Officer and Director</i>	2017	190,000	-	-	-	-	190,000
	2016	190,000	-	-	-	-	190,000
Richard Smith <i>Chief Financial Officer</i>	2017	190,000	-	-	-	-	190,000
	2016	170,000	-	-	-	-	170,000
Albert El Tassi <i>President and Chief Executive Officer of Peerless</i>	2017	381,499	-	-	-	-	381,499
	2016	375,000	-	-	-	-	375,000

TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES							
Name and Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Carmin Garofalo <sup>(1)</sup> <i>Former Chief Executive Officer</i>	2017	217,670	-	-	-	25,370	243,040
	2016	200,000	-	-	-	24,930	224,930
Bruce W. Aunger <i>Director</i>	2017	-	-	13,000	-	-	13,000
	2016	-	-	13,000	-	-	13,000
Darryl Eddy <i>Director</i>	2017	-	-	13,000	-	-	13,000
	2016	-	-	13,000	-	-	13,000
C. Michael O'Brian <i>Director</i>	2017	-	-	11,200	-	-	11,200
	2016	-	-	11,200	-	-	11,200
Joel McLean <i>Director</i>	2017	-	-	11,200	-	-	11,200
	2016	-	-	11,200	-	-	11,200
Joseph M. Gantz <sup>(2)</sup> <i>Director</i>	2017	-	-	11,200	-	-	11,200
	2016	-	-	-	-	-	-

(1) Carmin Garofalo was Chief Executive Officer from March 1, 2017 to August 15, 2017 and prior thereto President of Unisync Group.

(2) Joseph Gantz was appointed a director on September 7, 2016.

### Stock Options and Other Compensation Securities

The following table sets out, for each Named Executive Officers and Director information concerning all compensation securities granted or issued during the financial year ended September 30, 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
Douglas F. Good <sup>(1)</sup> <i>Chief Executive Officer and Director</i>	Stock Options	150,000 options 150,000 underlying Common Shares 12.0% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021
Richard Smith <sup>(2)</sup> <i>Chief Financial Officer</i>	-	-	-	-	-	-	-
Albert El Tassi <sup>(3)</sup> <i>President and Chief Executive Officer of Peerless</i>	-	-	-	-	-	-	-
Carmin Garofalo <sup>(4)</sup> <i>Former Chief Executive Officer</i>	Stock Options	100,000 options 100,000 underlying Common Shares 8.0% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021

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
Bruce W. Aunger <sup>(5)</sup> <i>Director</i>	Stock Options	10,000 options  10,000 underlying Common Shares 0.8% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021
Darryl Eddy <sup>(6)</sup> <i>Director</i>	Stock Options	10,000 options  10,000 underlying Common Shares 0.8% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021
C. Michael O'Brian <sup>(7)</sup> <i>Director</i>	Stock Options	10,000 options  10,000 underlying Common Shares 0.8% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021
Joel McLean <sup>(8)</sup> <i>Director</i>	Stock Options	10,000 options  10,000 underlying Common Shares 0.8% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021
Joseph M. Gantz <sup>(9)</sup> <i>Director</i>	Stock Options	100,000 options  100,000 underlying Common Shares 8.0% of options	October 3, 2016	\$2.40	\$2.40	\$2.95	October 3, 2021

- (1) As of September 30, 2017, Mr. Good held a total of 200,000 stock options representing 200,000 underlying Common Shares. The stock options vest equally over three years in annual instalments.
- (2) As of September 30, 2017, Mr. Smith held a total of 150,000 stock options representing 150,000 underlying Common Shares. The stock options vest equally over five years in annual instalments.
- (3) As of September 30, 2017, Mr. El Tassi held no stock options.
- (4) As of September 30, 2017, Mr. Garofalo held no stock options.
- (5) As of September 30, 2017, Mr. Aunger held a total of 60,000 stock options representing 60,000 underlying Common Shares. The stock options vest equally over three years in annual instalments.
- (6) As of September 30, 2017, Mr. Eddy held a total of 60,000 stock options representing 60,000 underlying Common Shares. The stock options vest equally over three years in annual instalments.
- (7) As of September 30, 2017, Mr. O'Brian held a total of 60,000 stock options representing 60,000 underlying Common Shares. The stock options vest equally over three years in annual instalments.
- (8) As of September 30, 2017, Mr. McLean held a total of 60,000 stock options representing 60,000 underlying Common Shares. The stock options vest equally over three years in annual instalments.
- (9) As of September 30, 2017, Mr. Gantz held a total of 100,000 stock options representing 100,000 underlying Common Shares. The stock options vest equally over three years in annual instalments.

### Exercise of Compensation Securities

The following table sets out for each Named Executive Officer and Director, information concerning the exercise of compensation securities during the financial year ended September 30, 2017.

EXERCISE OF COMPENSATION SECURITIES BY DIRECTORS AND NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between closing price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Douglas F. Good <i>Chief Executive Officer and Director</i>	-	-	-	-	-	-	-
Richard Smith <i>Chief Financial Officer</i>	-	-	-	-	-	-	-
Albert El Tassi <i>President and Chief Executive Officer of Peerless</i>	-	-	-	-	-	-	-
Carmin Garofalo <i>Former Chief Executive Officer</i>	-	-	-	-	-	-	-
Bruce W. Aunger <i>Director</i>	-	-	-	-	-	-	-
Darryl Eddy <i>Director</i>	-	-	-	-	-	-	-
C. Michael O'Brian <i>Director</i>	-	-	-	-	-	-	-
Joel McLean <i>Director</i>	-	-	-	-	-	-	-
Joseph M. Gantz <i>Director</i>	-	-	-	-	-	-	-

#### Indebtedness of Directors and Officers

No director or officer of the Corporation or proposed nominee for election as a director of the Corporation is or has been indebted to the Corporation since the beginning of the last completed fiscal year of the Corporation.

#### Interest of Insiders in Material Transactions

No insider of the Corporation, nominee for election as a director, or associate or affiliate of them, has or had any material beneficial interest in any transaction since the beginning of the last fiscal year of the Corporation or has any such interest in any proposed transaction, which has or will materially affect the Corporation.

#### Management Contracts

The management functions of the Corporation are not performed by a person or company other than the directors and officers of the Corporation.

#### Executive Employment Agreements

Peerless and Mr. El Tassi have entered into an employment agreement in respect of Mr. El Tassi's role as Chief Executive Officer of Peerless. The Agreement provides that Peerless may terminate the employment agreement upon 12 months written notice or twelve months salary and bonuses that would have been earned during such period. If Mr. El Tassi's employment had been terminated by Peerless without notice on September 30, 2017, Mr. El

Tassi would have been entitled to a payment of \$375,000 plus a bonus dependent upon distributable cash flow of Peerless for the year ended September 30, 2017.

In the event that Mr. El Tassi's employment agreement is terminated, Unisync has agreed to purchase his 10% partnership interest in Peerless for \$1.5 million.

Unisync Group and Mr. Garofalo had entered into an employment agreement in respect of Mr. Garofalo's role as President of Unisync Group. The Agreement provided that Unisync Group may terminate the employment agreement without just cause upon payment of twelve months salary. Mr. Garofalo's employment was terminated for just cause on August 15, 2017 and Unisync Group paid unpaid salary and accrued vacation to the termination date.

### **STOCK OPTION PLAN AND EQUITY COMPENSATION PLAN INFORMATION**

The following table sets out the particulars of the outstanding equity compensation stock option plan as at the date of this Circular.

<b>Plan Category</b>	<b>Column A Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>Column B Weighted-average Exercise Price of Outstanding Options, Warrants and Rights</b>	<b>Number of Securities Remaining Available for Future Issuance under Equity Compensations Plans [excluding securities reflected in Column A]</b>
Equity Compensation Plans Approved by Securityholders	1,255,000 Common Shares	\$2.25	78,769 Common Shares
Equity Compensation Plans Not Approved by Securityholders	Nil	N/A	N/A
<b>Total</b>	<b>1,255,000 Common Shares</b>	<b>\$2.25</b>	<b>78,769 Common Shares</b>

Notes:

The number of common shares remaining available for future issuance under the Corporation's 10% rolling Stock Option Plan as at the date of this Circular is calculated on the basis of the Corporation's issued and outstanding shares as at such date (10% of 13,337,698 = 1,333,769).

Under Exchange policies, a "rolling" stock option plan which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares at the time of the grant must be approved and ratified by shareholders on an annual basis.

### **APPROVAL OF STOCK OPTION PLAN**

TSX Venture Exchange policies with respect to incentive stock options provide that listed companies may only issue incentive stock options pursuant to the terms of a stock option plan that has been approved by the shareholders of the Corporation and the Exchange and that such plan be re-approved each year by the shareholders and the Exchange.

The Corporation uses stock options as a share related mechanism to enable the Corporation to attract, retain and motivate qualified directors, officers, consultants and employees, to reward directors, officers, consultants and employees for their future contribution to the long-term goals of the corporations and to enable and encourage such individuals to acquire shares of the Corporation as long-term investments. Accordingly, the Shareholders will be asked to consider, and the Directors, believing it to be in the best interests of the Corporation, recommend that the shareholders approve the Corporation's proposed stock option plan and the allotment and reservation of sufficient common shares from treasury to provide the shares necessary for issuance upon the exercise from time to time of options granted pursuant to the plan.

The plan has been prepared by the Corporation in accordance with the policies of the TSX Venture Exchange and is in the form of a 'rolling' stock option plan reserving for issuance upon the exercise of options granted pursuant to the

Plan a maximum of 10% of the issued and outstanding shares of the Corporation at any time, less any shares required to be reserved with respect to options granted by the Corporation prior to the implementation of the plan. Under the existing plan, only options to acquire Common Shares may be granted under the plan. The plan will be administered by the Board of Directors of the Corporation. Subject to the provisions of the plan, the directors in their sole discretion will determine all options to be granted pursuant to the plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The directors will comply with all TSX Venture Exchange and other regulatory requirements in granting options and otherwise administering the plan. A summary of some of the additional provisions of the plan are as follows:

- (i) options granted to insiders of the Corporation as a total in any twelve-month period shall not exceed 10% of the issued and outstanding Common Shares of the Corporation at the beginning of the period;
- (ii) options granted to any one person as a total in any twelve-month period shall not exceed 5% of the issued and outstanding Common Shares of the Corporation at the beginning of the period;
- (iii) options granted to any one Consultant to the Corporation as a total in any twelve-month period shall not exceed 2% of the issued and outstanding Common Shares of the Corporation at the beginning of the period;
- (iv) options granted to all employees, consultants and their associates engaged in investor relations activities for the Corporation in aggregate in any twelve-month period shall not exceed 2% of the issued and outstanding Common Shares of the Corporation at the beginning of the period;
- (v) options granted shall be non-assignable and not transferable and shall not have a term in excess of five years;
- (vi) the exercise price of options granted shall not be less than the closing price of the Corporation's Common Shares on the last trading day less any discount permitted by the Exchange, but, in any event, not less than \$0.10 per share;
- (vii) all options granted shall be evidenced by written option agreements; and
- (viii) any amendment to reduce the exercise price of options granted to insiders of the Corporation shall be subject to approval of the disinterested Shareholders of the Corporation, the majority vote of the Shareholders other than the insiders of the Corporation.

Pursuant to the policies of the Exchange, the shares underlying any options granted will be restricted from trading for a period of four months from the date of grant of the option. A copy of the plan is attached as Schedule A hereto and forms a part of this information circular.

The directors of the Corporation believe the plan is in the Corporation's best interests and recommend that the Shareholders approve the plan.

An ordinary resolution of Shareholders is sought approving the stock option plan.

#### **VARIATIONS ON MATTERS CONTAINED IN THE NOTICE OF MEETING AND OTHER MATTERS**

Management has no present knowledge that any matters will be brought before the Meeting other than those set forth in the accompanying notice of meeting. If other matters are properly brought before the Meeting and there are variations to the matters set out in the notice of meeting, it is the intention of the persons named in the enclosed proxy to vote the proxy on such matters in accordance with their best judgment and the proxy confers such discretionary authority.

**ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available through the Internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for its most recently completed financial year, copies of which can be obtained on SEDAR or by contacting the Chief Executive Officer of the Corporation at (778) 370-1725.

**SCHEDULE A**  
**STOCK OPTION PLAN**

1. **Purpose**

The purpose of the Stock Option Plan (the "Plan") of Unisync Corp. a body corporate incorporated under the *Business Corporations Act* (British Columbia) (the "Corporation") and a Tier 1 Issuer on the TSX Venture Exchange (the "TSX"), is to advance the interests of the Corporation or any of its subsidiaries or affiliates by encouraging the directors, officers, full-time employees and consultants of the Corporation or any of its subsidiaries or affiliates to acquire Common Shares in the Corporation, thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation or any of its subsidiaries or affiliates and furnishing them with additional incentive in their efforts on behalf of the Corporation or any of its subsidiaries or affiliates in the conduct of their affairs.

2. **Administration, Granting of Options and Eligibility**

The 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.

The Committee may from time to time designate directors, officers or full-time employees of the Corporation or any of its subsidiaries or affiliates (the "Participants") to whom options to purchase Common Shares of the Corporation may be granted and the number of Common Shares to be optioned to each, provided that the total number of Common Shares to be optioned shall not exceed the number provided in clauses 3 and 4 hereof.

For any grant of options to employees, consultants or management company employees the Corporation shall represent and warrant that the Participant is a *bona fide* employee, consultant or management company employee.

3. **Number of Shares Subject to Plan**

Subject to adjustment as provided in Section 16 hereof, the shares to be offered under the Plan shall consist of Common Shares of the Corporation's authorized but unissued shares. The aggregate number of Common Shares to be delivered upon the exercise of all options granted under the Plan shall not exceed the maximum number of shares permitted under the rules of any stock exchange on which the common shares are then listed or other regulatory body having jurisdiction. At the present time the shares of the corporation are listed only on the TSX and, pursuant to the prevailing policies of the TSX, this stock option plan shall be a 'rolling' plan as defined and the maximum number of options permitted shall be limited to a number equal to ten (10%) percent of the issued Common Shares of the Corporation from time to time. If any option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased shares subject thereto shall again be available for the purpose of this Plan. The Corporation shall not grant options to insiders exceeding in number more than 10% of the issued Common Shares of the Corporation in any 12 month period without the prior approval of the shareholders by resolution of disinterested shareholders in general meeting. Pursuant to TSX rules the stock option plan shall be approved by the shareholders annually and a general resolution authorizing option grants exceeding 10% in total over a 12 month period but not exceeding 10% at any time shall be sufficient shareholder approval.

4. **Number of Optioned Shares per Participant**

The number of Common Shares subject to an option to a Participant shall be determined by the Committee, but no Participant, upon the Corporation becoming listed on any stock exchange, shall be granted an option which exceeds the maximum number of shares permitted by any stock exchange on which the shares are then listed or other regulatory body having jurisdiction. In the case of the TSX, the maximum number of optioned shares for an individual is equal to five (5%) of the issued capital of the Corporation and in the case of investor relations person(s) in aggregate or for each consultant the maximum number of optioned shares is equal to two (2%) of the issued capital of the Corporation in any 12 month period.

5. **Vesting**

The Committee may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist PROVIDED that no such vesting rules shall contravene the prevailing rules of any stock exchange on which the shares are then listed or other regulatory body having jurisdiction in which case the minimum rules of such stock exchange or governing body shall prevail. In the case of the TSX options granted to investor relations persons shall vest in stages with no more than 25% vesting in any three month period.

6. **Maintenance of Sufficient Capital**

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Common Shares as will be sufficient to satisfy the requirements of the Plan.

7. **Participation**

The Committee shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted, and the number of Common Shares be subject to each option. An individual who has been granted an option may, if he is otherwise eligible, and if permitted by any stock exchange on which the shares are then listed or other regulatory body having jurisdiction, be granted an additional option or options if the Committee shall so determine.

8. **Exercise Price**

The exercise price of the Common Shares covered by each option shall be determined by the Committee. The exercise price shall be not less than the discounted market price. Any reduction in the exercise price of an option held by an insider shall be subject to disinterested shareholder approval in general meeting. The purchase price shall be paid in cash.

9. **Duration of Option**

Each option and all rights thereunder shall be expressed to expire on the date set out in the option agreements and shall be subject to earlier termination as provided in paragraphs 11 and 12, provided however that the maximum option term shall be five (5) years.

10. **Option Period, Consideration, Payment and Hold Period**

(a) The Option Period shall be a period of time fixed by the Committee, not to exceed the maximum period permitted by any stock exchange on which the shares are then listed or other regulatory body having jurisdiction, provided that the Option Period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer or full-time employee of the Corporation or any of its subsidiaries or affiliates or death of the Participant.

(b) Except as set forth in Sections 11 and 12, no Option may be exercised unless the Participant is at the time of such exercise a director, officer or full-time employee of the Corporation or any of its subsidiaries or affiliates.

(c) The exercise of any Option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such shares with respect to which the Option is exercised. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Common Shares subject to an Option under this Plan, unless and until the certificates for such shares are issued to such persons under the terms of the Plan.

(d) All Participants agree to abide by the 'hold periods' prescribed by the applicable exchange or regulatory body.

11. **Ceasing To Be a Director, Officer, Consultant or Full-Time Employee**

If a Participant shall cease to be a director, officer, consultant or full-time employee of the Corporation or any of its subsidiaries or affiliates for any reason (other than death), Participant may, but only within 90 days next succeeding Participant's ceasing to be a director, officer, consultant or full-time employee, exercise Participant's Option to the extent that Participant was entitled to exercise it at the date of such cessation.

If a Participant shall cease to be an investor relations employee or consultant of the Corporation or any of its subsidiaries or affiliates for any reason (other than death), Participant may, but only within 30 days next succeeding Participant's ceasing to be an investor relations employee or consultant, exercise Participant's Option to the extent that Participant was entitled to exercise it at the date of such cessation.

Nothing contained in the Plan, nor in any Option granted pursuant to the Plan, shall as such confer upon any Participant any continuing right with respect to tenure as a director, officer or full-time employee of the Corporation or any of its subsidiaries or affiliates. All Participants hereby waive their rights with respect to any claim for damages based upon any gain, vested or not vested, potential or actual, based upon this stock option plan in the event of their termination from such office or employment with the Corporation.

12. **Death of Participant**

In the event of the death of a Participant, the Option previously granted to him shall be exercisable only within the twelve months next succeeding such death and then only:

(a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and

(b) if and to the extent that Participant was entitled to exercise the Option at the date of Participant's death.

13. **Rights of Optionee**

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon exercise of such option until certificates representing such shares shall have been issued and delivered.

14. **Proceeds from Sale of Shares**

The proceeds from sale of Common Shares issued upon the exercise of options shall be added to the general funds of the Corporation and shall thereafter be used from time to time for such corporate purposes as the Board of Directors may determine and direct.

15. **General Terms and Conditions**

The corporation and the Participant agree that all options shall conform to the general terms and conditions prescribed by any stock exchange on which the shares are then listed or other regulatory body having jurisdiction

16. **Adjustments**

Appropriate adjustments in the number of Common Shares optioned and in the option price per share, 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 Plan by the Committee from subdivisions, consolidations or reclassification 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.

17. **Transferability and Assignability**

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein. During the lifetime of a Participant any benefits, rights and Options may only be exercised by the Participant.

18. **Amendment and Termination of Plan**

The Committee may, at any time, suspend or terminate the Plan. The board may also at any time amend or revise the terms of the Plan, PROVIDED that no such amendment or revision shall alter the terms of any options theretofore granted under the Plan. All amendments shall be subject to TSX approval.

19. **Necessary Approvals**

The ability of the Options to be exercised and the obligation of the Corporation to issue and deliver Common Shares in accordance with the Plan is subject to any approvals which may be required from the shareholders of the Corporation, any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Common Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such shares shall terminate and any Option exercise price paid to the Corporation will be returned to the Participant.

20. **Prior Plans**

The Plan shall entirely replace and supersede prior share options plans, if any, enacted by the Board of Directors of the Corporation or its predecessor corporations.

21. **Effective Date of Plan**

The Plan has been adopted by the Committee subject to the approval of any stock exchange on which the shares of the Corporation are to be listed or other regulatory body having jurisdiction and, if so approved, the Plan shall become effective upon such approvals being obtained.

22. **Annual Shareholder Approval**

This stock option plan is subject to annual approval of the shareholders of the Corporation in general meeting.

23. **Regulatory Approval**

This stock option plan is subject to the approval of the TSX.

## SCHEDULE B

### CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### UNISYNC CORP.

An audit committee (the "Committee") of the board of directors (the "Board") of Unisync Corp. (the "Corporation") has been established by resolution of the Board. It shall be composed of not less than three directors of the Corporation, all of whom are not officers or employees of the Corporation or any of its affiliates. One member of the Committee shall be appointed by the Board to be the Committee's chairman, provided that the chairman shall at all time be an independent director. A majority of the members of the Committee shall satisfy the independence and qualification requirement under *Multilateral Instrument 52-110 Audit Committees* and any requirement of any stock exchange on which the shares of the Corporation are listed and posted for trading.

The Committee's general responsibilities shall be to advise and assist the Board in fulfilling its financial responsibilities for the Corporation by monitoring all of the integrity of the Corporation's financial statements, financial and accounting practices, internal controls, performance of internal and external auditors, independence and qualification of external auditors, business ethics, and compliance with all laws, regulations and policies that may have an impact on the consolidated financial statements of the Corporation. The Committee shall oversee these areas for the Corporation, all of its controlled subsidiaries and affiliates, and to the extent practicable, for subsidiaries and affiliates, if any, that the Corporation does not control, if any. The Committee shall be directly responsible for the appointment, replacement, compensation and oversight of the external auditor and the external auditor shall report directly to the Committee.

#### Concerning the External Auditor

- A. The Committee's specific responsibilities concerning the external auditor shall be to:
1. Recommend to the Board each year both the external 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, and the compensation to be paid to the external auditor;
  2. Review, evaluate and satisfy itself as to the independence, qualifications, and performance of the Corporation's external auditor including:
    - a) reviewing formal written statements submitted periodically by the external auditor delineating all relationships between themselves and the Corporation;
    - b) discussing with the external auditor any disclosed relationships or services that may impact their objectivity and independence;
    - c) reviewing not less than once per year the external auditor's quality control procedures including any material issues raised by internal quality control, peer reviews, inquiries or investigations by governmental or professional authorities, and the steps to be taken to address such issues;
    - d) reviewing and evaluating the lead partner of the external auditor; and
    - e) assuring the regular rotation of the lead audit partner as may be considered either necessary or advisable.
  3. Recommend to the Board the results of such evaluation of the external auditor and any action the Committee deems appropriate based on the evaluation, including considering whether, to assure continuing auditor independence, there should be a regular rotation of the audit firm itself;
  4. Review and act upon reports by the external auditor including the external audit, the terms of engagement and compensation of the external auditor, and pre-approve all audit and non-audit services to be provided by the external auditor. Any such pre-approval may be delegated by the Committee to any member of the Committee;

5. Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
6. Review and approve of the Corporation's hiring policies regarding partners, employees and former partners and employees of the Corporation's present and former external auditors.

#### **Concerning the Corporation's Financial Matters**

B. The Committee's specific responsibilities concerning the Corporation's Financial Matters shall be to:

1. Monitor and review from time to time, but not less than once annually, the Corporation's:
  - a) internal financial controls and internal audit functions;
  - b) appointment and/or replacement of the chief financial officer, the senior internal auditor and any key executives involved in the Corporation's financial reporting process;
  - c) policies on risk assessment and risk management, including the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures;
  - d) compliance with securities laws, regulations and policies concerning the Corporation's financial statements, audits and public disclosure;
  - e) compliance with tax laws, regulations and policies concerning the Corporation;
  - f) expense reimbursements paid to the Chairman of the Board, the Chief Executive Officer, the chief Financial Officer and such other directors or senior officers as the committee may deem appropriate; and
  - g) charter for the Committee and perform an annual evaluation of the Committee's performance

all in consultation with the Corporation's senior internal auditor, the external auditor and such other advisors and the Committee may select.
2. Hold regularly scheduled meetings with management, the senior internal auditor, and the external auditor and keep minutes of all such meetings;
3. Review and discuss with management and the external auditor:
  - a) the Corporation's audited financial statements, interim financial statements and "Management Discussion and Analysis" before approval by the Board or public disclosure;
  - b) reports from the Corporation's internal auditor and management's response;
  - c) the types of information to be disclosed and the types of presentation to be made in connection with the Corporation's earnings press releases and financial information and guidance provided to analysts and rating agencies (if any); and
  - d) any proposed related party transactions involving the Corporation before approval by the Board or public disclosure.
4. Discuss with management and the external auditor any significant financial reporting, accounting and audit issues and judgments (including reports or analysis rendered by management or the

external auditor in connection with the Corporation's financial statements) pertinent to the preparation of the Corporation's financial statements (including the quality of the Corporation's accounting principles, any audit problems or difficulties, any significant changes in the Corporation's selection or application of accounting principles, any off-balance sheet structures, and special audit steps adopted or taken in light of material control deficiencies, any major disputes between management and the external auditor);

5. Establish procedures for:
  - a) reviewing all of the Corporation's public disclosure of audited or unaudited financial information extracted or derived from the Corporation's financial statements;
  - b) receipt, retention or treatment of complaints received by the corporation regarding accounting, internal accounting controls or auditing matters, and
  - c) confidential, anonymous submission by any of the Corporation's employees of concerns regarding questionable accounting or auditing matters;

and to periodically re-assess those procedures;

#### **Advising the Board**

- C. The Committee's specific responsibilities concerning advising the Board shall be to:
  1. Review and consider:
    - a) Major changes and questions of choice respecting appropriate accounting principles and auditing standards to be used in preparing and presenting the Corporation's financial statements; and
    - b) Legal, accounting and regulatory matters (including initiatives) that may have a material impact on the Corporation's reporting obligations, financial statements, conflicts of interest and general business ethics;
  2. Review reports from the Corporation's internal or external auditors and legal counsel (either that represent or have represented the Corporation) about any credible evidence of material violations of securities laws or material breach of duty by the Corporation, any member of the Board or any officer, employee or agent of the Corporation; and
  3. Serve as a channel of communication between the external auditor and the Board and between the senior internal auditor and the board, and report regularly to the Board on the Committee's deliberations and actions taken, and any issues that arise concerning the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, performance and independence of the external auditor, or performance of the internal auditor; and

The Committee has the irrevocable authority to obtain advice and assistance from outside legal, accounting or other such advisors and the Committee deems necessary, appropriate or advisable in its sole discretion, without notice to or approval from the Board. The Corporation shall provide adequate funding to the Committee, as determined by the Committee, for payment of compensation to any external auditor, compensation to any advisor, and ordinary administrative expenses that are necessary or appropriate for carrying out its duties.

The Committee shall fix its own time and place of meetings and shall prescribe its own rules and directors of the Corporation who are not members of the Committee shall attend meetings of the Committee only upon the written invitation of the Chair of the Committee.

## SCHEDULE C

### EXISTING SHARE RIGHTS

The authorized capital of the Corporation consists of:

- (a) an unlimited number of Common Shares; and
- (b) an unlimited number of Class A preferred shares issuable in series.

The attributes of the Common Shares are as follows:

- (a) the holders of the Common Shares are entitled to receive notice of and attend at any general meeting of the shareholders of the Corporation and are entitled to one vote for each share held;
- (b) subject to the rights of Preferred Shares, the holders of the Common Shares shall be entitled to receive dividends in the discretion of the board of directors; and
- (c) subject to the rights of Preferred Shares, the holders of the Common Shares shall be entitled to receive the remaining property of the Corporation upon dissolution.

The attributes of the Class A Preferred Shares are as follows:

- (a) The Class A Preferred Shares may at any time and from time to time be issued in one or more series. Subject to the British Columbia *Business Corporations Act*, the Board of Directors may fix the number of Class A Preferred Shares of each series, designation, rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares of each series including, without limitation, any voting rights, any right to receive dividends or the means for determining such dividends, the dates of payment, any terms and conditions of redemption or purchase, any conversion rights and any rights on the liquidation, dissolution or winding up of the Corporation.
- (b) The Class A Preferred Shares of each series will rank equally with every other series and be entitled to preference over the Common Shares with respect to the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding up of the Corporation. The issuance of Class A Preferred Shares and the terms selected by the Board of Directors could decrease the amount of earnings and assets available for distribution to the holders of the Common Shares or adversely affect the rights and powers of the shareholders of the Common Shares without any further vote or action or the approval of the Common shareholders. There are no Class A preferred shares outstanding.