



NOTICE OF ANNUAL MEETING OF  
SHAREHOLDERS AND  
**MANAGEMENT INFORMATION CIRCULAR**

MARCH 16, 2015



## ABOUT UNI-SELECT

Founded in 1968, Uni-Select is a major distributor of replacement parts, equipment, tools, accessories, paint and related products for motor vehicles in North America. Leader in the Canadian industry, Uni-Select is the 5th largest distributor in the United States and the leading independent distributor of automotive paint and related products in North America. With its 5,300 employees, Uni-Select efficiently services a wide network of independent installers and wholesalers, including over 6,700 that operate under its banner programs in North America.

Uni-Select is headquartered in Boucherville and its shares are traded on the Toronto Stock Exchange (TSX) under the symbol UNS.

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## NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

March 16, 2015

To shareholders of Uni-Select Inc.

You are convened to the Annual Meeting of the Shareholders of Uni-Select Inc. (“**Meeting**”) that will be held on:

**April 30, 2015**

**1:30 p.m.** (Eastern Daylight Time)

Champlain Room

Sandman Hôtel Montréal-Longueuil

999 De Serigny

Longueuil, QC J4K 2T1

The Meeting will have the following purposes:

- 1** to receive the financial statements of Uni-Select Inc. for the fiscal year ended December 31, 2014 and the auditors’ report relating thereto;
- 2** to elect the directors;
- 3** to appoint the auditors and authorize the directors to set their remuneration; and
- 4** to transact such other business as may properly be brought before the Meeting.

If you are unable to attend the Meeting in person, kindly complete and return the enclosed form of proxy to Computershare Trust Company of Canada in the enclosed envelope. You may also exercise your right to vote by internet or by phone. For directions, please see the form of proxy. The proxy must be received at least 48 hours (Saturdays, Sundays and statutory holidays not included) before the calling to order of the Meeting or at any continuation following the adjournment or postponement thereof, in order to ensure the registration of your vote.

By order of the Board of Directors



Me Louis Juneau

Vice President, Legal Affairs and Secretary

Boucherville, Québec

## MANAGEMENT INFORMATION CIRCULAR

### QUESTIONS AND ANSWERS

#### 1 | VOTING AND PROXY INFORMATION

##### 1.1 | HOW ARE PROXIES SOLICITED AND WHAT IS THE COST?

This Management Information Circular is provided by the Management of Uni-Select Inc. (“**Uni-Select**” or “**Corporation**”) in connection with the solicitation of proxies which will be used to vote at the Annual Meeting of the Shareholders (“**Meeting**”) to be held at the date, time and place and for the purposes set forth in the foregoing Notice of Meeting (“**Notice**”) and at any adjournment or postponement thereof.

The solicitation will be primarily by mail. Cost of such solicitation, which is anticipated to be minimal, will be borne by the Corporation.

The Corporation does not send proxy-related materials directly to the non-registered shareholders or beneficial shareholders and is not relying on the notice-and-access provisions of securities laws for delivery to either registered or non-registered shareholders. The Corporation will provide proxy materials to brokers, custodians, nominees and fiduciaries and will request that such materials be forwarded to each non-registered shareholder or beneficial shareholder of voting shares registered in their names. The Corporation has elected to pay for the delivery of its proxy-related materials to objecting beneficial shareholders.

Unless otherwise stated, the information contained in this Management Information Circular is given as of February 28, 2015 and all dollar amounts are in Canadian dollars.

For those shareholders who cannot attend the Meeting in person, the Corporation has made arrangements to provide a live audio webcast of the Meeting. To listen to the Meeting on the web, please access Uni-Select's website at [uniselect.com](http://uniselect.com).

##### 1.2 | WHO IS ENTITLED TO VOTE?

The authorized share capital of the Corporation is composed of one class of common shares and one class of preferred shares. On the date hereof, only common shares (“**Shares**”) are issued and outstanding. Each Share entitles the holder to one vote.

Each person listed on the register of shareholders as at the close of business on March 26, 2015 (“**Record Date**”) is entitled to vote at the Meeting for the Shares registered in his or her name on that date.

As at February 28, 2015, 21,220,862 Shares of the Corporation were issued and outstanding. The Shares are traded under the symbol “UNS” on the Toronto Stock Exchange (“**TSX**”).

To the knowledge of the Corporation’s directors and Senior Executives, the only persons or companies which beneficially owned or exercised control or direction over, directly or indirectly, 10% or more of the issued and outstanding Shares were the following:

NAME	NUMBER OF SHARES	PERCENTAGE
Fidelity Management & Research Company Pyramis Global Advisors, LLC Pyramis Global Advisors Trust Company Stategic Advisers Incorporated and FIL Limited	3,275,000	15.44%
Beutel, Goodman & Co. Ltd.	3,174,450	14.96%
Letko, Brosseau & Associates Inc.	2,176,575	10.26%

### 1.3 | WHAT WILL I BE VOTING ON?

At the Meeting, shareholders will vote on two items:

- 1 The election of directors; and
- 2 The appointment of auditors including authorizing the Board of Directors to fix their remuneration.

The Board and Management recommend that you vote **FOR** items 1 and 2.

All matters to be considered at the Meeting will each be determined by a majority of votes cast at the Meeting by proxy or in person. In the event of equal votes, the Meeting chair is entitled to a second or casting vote.

### 1.4 | HOW DO I VOTE?

If you are eligible to vote and your common shares are registered in your name, you can vote your Shares in person at the Meeting or by proxy, as explained below. If your Shares are held in the name of a nominee, please see the instructions below under “How do I vote if I am a non-registered shareholder?”.

### 1.5 | HOW DO I VOTE IF I AM A REGISTERED SHAREHOLDER?

#### *VOTING IN PERSON*

If you wish to vote in person at the Meeting, do not complete or return the proxy form. Please register with the representative of Computershare Trust Company of Canada (“**Computershare**”) when you arrive at the Meeting. Your vote will be taken and counted at the Meeting.

*VOTING BY PROXY*

Registered shareholders may give another person authority to vote at the Meeting on their behalf by appointing a proxyholder. A proxyholder is the person you appoint on your behalf at the Meeting to vote your Shares in your name.

You have the right to appoint some other person of your choice, who need not be a shareholder, to attend and act on your behalf at the Meeting. You should be sure that this person is attending the Meeting and is aware that he or she has been appointed to vote your Shares. If you wish to appoint some other person, please insert the person's name in the blank space provided on the proxy form. If you do not insert a name in the blank space, then the persons named on the form, being Robert Chevrier and Richard G. Roy, each of whom is a director and/or officer of Uni-Select, will act as your proxyholder.

**You have the right to choose anyone to be your proxyholder, who need not be a shareholder, to attend and act on your behalf at the Meeting.**

On the form, you should indicate how you want your proxyholder to vote your Shares. You may vote **FOR** or **WITHHOLD** your vote on (i) each proposed nominee for election as a director and (ii) the appointment of the auditors including authorizing the Board of Directors to fix their remuneration. Alternatively, you can let your proxyholder decide for you.

Please complete, sign, date and return the form in the envelope provided or by facsimile to Computershare's toll-free line at 1 866 249 7775 or at 1 416 263 9524 or you can vote by internet by following the instructions on your proxy form. Proxy forms must arrive no later than 1 PM (Eastern Daylight Time) on April 29, 2015 (or upon reconvening of the Meeting, at least 48 hours – excluding Saturdays, Sundays and holidays – before the calling to order of said reconvened Meeting).

*HOW WILL MY SHARES BE VOTED?*

If you give directions on how to vote your Shares, your proxyholder must vote your Shares according to your instructions. If your proxy form or voting instruction form does not specify how to vote on a particular issue, then your proxyholder can vote your Shares as he or she sees fit. If your proxyholder does not attend the Meeting and vote in person, your Shares will not be voted.

If you have appointed a person designated by Uni-Select as proxyholder as provided in the enclosed form of proxy and you do not provide any instructions concerning a matter identified in the Notice of Meeting, the Shares represented by such proxy will be voted **FOR** the two items identified in the Section 1.3 *What will I be voting on?*

The accompanying form of proxy confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other business which may properly be brought before the Meeting. At the date of this Management Information Circular, Management of the Corporation knows of no such amendments, variations or other business to be brought before the Meeting.

### *IF I CHANGE MY MIND, HOW CAN I REVOKE MY PROXY?*

A registered shareholder who has given a proxy may revoke it at any time prior to its use by instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized. Such instrument should be delivered to the Secretary of the Corporation at the registered office of Uni-Select, 170 Industriel Blvd., Boucherville, QC J4B 2X3, at any time up to and including the close of business on the last business day preceding the day of the Meeting or any adjournment thereof or depositing it with the Chair of the Meeting on the day of the Meeting, being April 30, 2015, or any continuation following the adjournment thereof, or in any other manner permitted by law.

## **1.6 | HOW DO I VOTE IF I AM A NON-REGISTERED SHAREHOLDER?**

You are a non-registered shareholder or a beneficial shareholder if your Shares are held in a nominee's name such as a bank, trust company, securities broker or other nominee. Generally, the proxy form or voting instruction form sent or to be sent by your nominee indicates whether you are a beneficial shareholder.

**Non-registered shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.**

Shares held by your broker or its nominee can only be voted upon your instructions. Without specific instructions, your broker, its agent or its nominee is prohibited from voting your Shares. Therefore, you should ensure that instructions respecting the voting of your Shares are communicated to the appropriate person.

### *VOTING IN PERSON*

If you wish to vote in person at the Meeting, you should insert your own name in the space provided on the voting instruction form provided to you by your nominee and return the completed form to Broadridge Investor Communication Solutions ("**Broadridge**") by mail or facsimile.

### *VOTING INSTRUCTIONS*

Your nominee is required to seek voting instructions from you well in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your Shares are voted at the Meeting.

Often, the form of proxy supplied by your broker is similar to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder on how to vote on your behalf. The majority of brokers delegate responsibility for obtaining voting instructions from clients to Broadridge. Broadridge mails a voting instruction form in lieu of the form of proxy provided by Uni-Select. The voting instruction form will name the same persons as the proxy to represent the holder of Shares at the Meeting. To exercise this right, the holder of Shares should insert the name of the desired representative in the blank space provided in the voting instruction form. You are asked to complete and return the voting instruction form to Broadridge by mail or facsimile. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting.

If you receive a voting instruction form from Broadridge, it cannot be used as a proxy to vote Shares directly at the Meeting as the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have the Shares voted or to appoint an alternative representative to attend the Meeting in person to vote such Shares.

#### *PROXY SOLICITATION*

The Corporation does not send proxy-related materials directly to non-registered shareholders and is not relying on the notice-and-access provisions of securities laws for delivery to either registered or non-registered shareholders. The Corporation will provide proxy materials to brokers, custodians, nominees and fiduciaries and will request that such materials be forwarded to each beneficial owner of voting shares registered in their names. If you are a non-registered shareholder, your nominee should provide you with a voting instruction form or proxy form along with this Management Information Circular. The Corporation has elected to pay for the delivery of its proxy-related materials to objecting non-registered shareholders.

#### *REVOKING YOUR VOTING INSTRUCTIONS*

A non-registered shareholder who has given voting instructions may revoke it by following the procedures provided by its nominee.

## 2 | GENERAL INFORMATION

### 2.1 | NORMAL COURSE ISSUER BID

On August 7, 2013, the Board of Directors of Uni-Select authorized a normal course issuer bid (“**2013 Issuer Bid**”) and the purchase of up to 3.49% of the public float of the Corporation’s Shares as at July 31, 2013. For the period between August 9, 2013 and August 8, 2014, the Corporation repurchased for cancellation 137,788 Shares.

On July 31, 2014, the Board of Directors of Uni-Select authorized a new normal course issuer bid (“**2014 Issuer Bid**”) and the purchase of up to 1.18% of the public float of the Corporation’s Shares as at July 30, 2014. Desjardins Securities Inc. has been appointed as the broker firm responsible for making purchases of Shares under the 2014 Issuer Bid on behalf of the Corporation, pursuant to an automatic purchase plan. The 2014 Issuer Bid also enables the Corporation to purchase on the open market through the facilities of the TSX up to 250,000 Shares for cancellation. As at July 30, 2014, there were 21,257,969 Shares of the Corporation outstanding of which approximately 56% were widely held. The 2014 Issuer Bid will expire on August 10, 2015. For the period between August 11, 2014 and February 28, 2015, the Corporation repurchased for cancellation 52,415 Shares.

## 3 | BUSINESS OF THE MEETING

### 3.1 | FINANCIAL STATEMENTS

The Consolidated Financial Statements for the year ended December 31, 2014, together with the auditors’ report thereon are included in the 2014 Annual Report of the Corporation, available on Uni-Select’s website at [uniselect.com](http://uniselect.com), on SEDAR at [sedar.com](http://sedar.com), and in print, free of charge, to any shareholder who requests copies by contacting Investor Relations at 450 641 6972 or [investorrelations@uniselect.com](mailto:investorrelations@uniselect.com).



### 3.2 | ELECTION OF DIRECTORS

Upon recommendation of the Corporate Governance Committee, 9 nominees are proposed for election as directors. All nominees have established their eligibility and willingness to serve as directors, if elected to office. Each director elected will hold office until the next annual meeting or until that director's successor is duly elected, unless the office is vacated earlier in accordance with the relevant provisions of applicable laws. The vote for each director will be conducted on an individual basis. The proposed nominees to the Board of Directors are listed in Section 4 *Nominees for Election to the Board*.

#### MAJORITY VOTING POLICY

The Board of Directors adopted a policy which requires that any nominee for director in an uncontested election who receives, for his or her election, a greater number of votes "withheld" than "for" must tender his or her resignation to the Board Chair promptly following the Meeting. The Board of Directors will promptly accept the resignation unless it determines that there are exceptional circumstances relating to the composition of the Board of Directors or voting results that should delay the acceptance of the resignation or justify rejecting it. Within 90 days of the Meeting, the Board of Directors will announce its decision to either accept or reject the resignation in a press release, including reasons for rejecting the resignation, if so applicable. A director who tenders a resignation pursuant to this policy will not participate in any meeting of the Board of Directors, the Corporate Governance Committee or any other committee of the Board of Directors at which the resignation is considered.

**To be elected, a nominee must receive a greater number of votes "FOR" than "WITHHELD".**

Unless otherwise instructed, the Management proxies designated in the proxy form intend to vote **FOR** the election of the 9 Board nominees listed below under Section 4 *Nominees for Election to the Board*.

### 3.3 | APPOINTMENT OF AUDITORS

The Board, on the recommendation of the Audit Committee, recommends the renewal of the mandate of Raymond Chabot Grant Thornton LLP as the auditors of the Corporation. Raymond Chabot Grant Thornton LLP have been the auditors of the Corporation since April 26, 1985. Management solicits the vote of its shareholders for the appointment of Raymond Chabot Grant Thornton LLP. The auditors will hold office until the next annual meeting of shareholders of the Corporation or until their successors are appointed.

Unless otherwise instructed, the Management proxies designated in the proxy form intend to vote **FOR** the appointment of Raymond Chabot Grant Thornton LLP as the auditors of the Corporation and to vote in favour of authorizing the Board of Directors to set their remuneration.

#### EXTERNAL AUDITOR SERVICE FEES

Information regarding the fees paid to Raymond Chabot Grant Thornton LLP in the past two fiscal years is provided under the heading "Audit Committee – External Auditor Service Fees" of the Corporation's Annual Information Form for 2014, which is incorporated herein by reference. A copy of the Annual Information Form is available on Uni-Select's website at [uniselect.com](http://uniselect.com), on SEDAR at [sedar.com](http://sedar.com), and in print, free of charge, to any shareholder who requests copies by contacting Investor Relations at 450 641 6972 or [investorrelations@uniselect.com](mailto:investorrelations@uniselect.com).

## 4 | NOMINEES FOR ELECTION TO THE BOARD

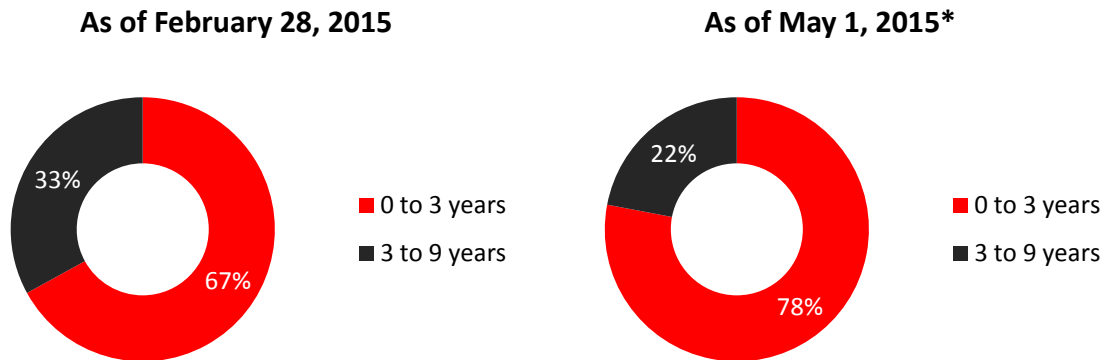
The Board of Directors is committed to a Board size of a minimum of 9 directors and a maximum of 12 directors, which the Board considers to be an appropriate number given the size of the Corporation and sufficient to provide an appropriate mix of experience and skills for the stewardship of the Corporation. The Board has determined that, at the present time, there will be 9 directors.

**Nine nominees  
are proposed to act  
as directors.**

### 4.1 | BOARD TENURE

The following chart shows the tenure of the Corporation's Board as of February 28, 2015.

Please refer to Section 4.2 *Information on the Nominees* for details regarding length of Board tenure of each nominee for election as directors.




\*Following the election to the Board at the Meeting if all nominees are elected.

## 4.2 | INFORMATION ON THE NOMINEES

The following are the nominees proposed for election as directors of Uni-Select. Other than Mr. Jeffrey I. Hall, all are currently directors of the Corporation. Each director elected will hold office until the next annual meeting of shareholders or until that director's successor is duly elected or appointed, unless the office is earlier vacated.

The following tables detail the experience, qualifications, areas of expertise, participation on the Board and its committees, participation on the boards of other public corporations, voting results as well as the number of Shares, deferred share units and convertible debentures beneficially owned by each proposed director or over which each exercised control or direction, directly or indirectly, as of December 31, 2013, December 31, 2014 and February 28, 2015.

JAMES E. BUZZARD, AAP						
 <p>Lakewood Ranch, Florida, USA</p> <p><b>President</b> <i>Clarit Realty, Ltd.</i> Since June 2012</p>	<p>Mr. Buzzard is President of Clarit Realty, Ltd. Prior to his election to the Board, he acted as Executive Vice President, Uni-Select USA, Inc. from March 2005 until December 2009. He then acted as Senior Vice President, Corporate Development of Uni-Select USA, Inc. until May 2012.</p> <p>Mr. Buzzard holds a Bachelor's Degree in Business Administration from St. Bonaventure University and an Automotive Aftermarket Professional designation from the University of the Aftermarket.</p>					
	<b>Board and Committee Attendance during 2014</b>			<b>Meeting Attendance</b>		
Board			100%			
Corporate Governance Committee			100%			
Human Resources and Compensation Committee			100%			
<b>Board/Committee Membership</b>			<b>Public Board Membership</b>			
Board of Directors (2012)			None			
Corporate Governance Committee (2013)						
Human Resources and Compensation Committee (2014)						
<b>Securities Held or Controlled</b>						
<b>Year</b>	<b>Common Shares (#)</b>	<b>Deferred Share Units ("DSUs")<sup>2</sup> (#)</b>	<b>Share price (\$)</b>	<b>Total value of Common Shares and DSUs (\$)</b>	<b>Convertible Debentures 5.9%<sup>3</sup> (\$)</b>	
Feb. 28, 2015	600,000 <sup>4</sup>	8,256.57	41.15	25,029,757.86	-	
Dec. 31, 2014	600,000 <sup>4</sup>	8,216.30	30.60	18,611,418.78	None	
Dec. 31, 2013	None	5,184.66	28.73	148,955.28	None	

Age: 63

Status: Non-Independent<sup>1</sup>

Joined Board: May 2012

**Areas of Expertise**

- Automotive Industry
- Real Estate

<sup>1</sup> Mr. Buzzard is not independent having held senior management positions with Uni-Select until May 2012.

<sup>2</sup> For information regarding the DSUs, refer to Section 8.6 *Direct Remuneration – Short-Term Incentive Plan*.

<sup>3</sup> For information regarding the debentures, refer to Section titled "Description of Capital Structure – Debentures" contained in the 2014 Annual Information Form, herein incorporated by reference.

<sup>4</sup> Mr. Buzzard exercises joint control over 600,000 Shares with Robert Buzzard.

**ROBERT CHEVRIER, FCPA, FCA**


Montréal, Québec, Canada

 Corporate director  
since 2001

Age: 71

Status: Independent

Joined Board: May 2012

**Areas of Expertise**

- Finance - Accounting
- Distribution - Automotive Industry

Mr. Chevrier is a corporate director and a chartered professional accountant. Since April 2001, Mr. Chevrier is the President of Société de Gestion Roche Inc., a holding and investment company. Prior thereto, he was the President and Chief Executive Officer of Rexel Canada Inc.

Mr. Chevrier holds a Bachelor of Commerce from Concordia University as well an accounting degree from McGill University. He is a Fellow of the Québec Order of Chartered Professional Accountants.

Board and Committee Attendance during 2014				Meeting Attendance	
Board				100%	
Audit Committee <sup>5</sup>				50%	
Corporate Governance Committee				100%	
Human Resources and Compensation Committee <sup>5</sup>				75%	
Board/Committee Membership				Public Board Membership	
Board of Directors (2012)				CGI Group Inc.	
Audit Committee (2012)				Rona Inc.	
Corporate Governance Committee, Chair (2012)					
Human Resources and Compensation Committee (2012)					
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	40,000	27,933.70	41.15	2,795,471.76	-
Dec. 31, 2014	40,000	27,797.45	30.60	2,074,601.97	None
Dec. 31, 2013	30,000	18,769.09	28.73	1,401,135.96	None

**ANDRÉ COURVILLE, B.Comm., FCPA, FCA, ICD.D**


Montréal, Québec, Canada

 Corporate director  
since 2014

Age: 61

Status: Independent

Joined Board: July 2014

**Areas of Expertise**

- Accounting & Auditing
- Mergers & Acquisitions

Mr. Courville is a corporate director and a chartered professional accountant. Prior to his election to the Board, he acted as senior audit partner at Ernst & Young with 37 years of experience working with Canadian, U.S. and International listed companies in various industries. He is currently Treasurer and a member of the Executive Committee of the Institute of Corporate Directors (Québec Chapter) and a director, Chair of the Audit and Finance Committee and member of the Executive Committee of the Montreal Heart Institute Foundation.

Mr. Courville has a Bachelor's Degree in Business Administration from HEC Montréal, completed the Kellogg Program at Harvard University, the Senior Management Program at Western University and was granted his ICD.D designation from the Institute of Corporate Directors. He is a Fellow of the Québec Order of Chartered Professional Accountants.

Board and Committee Attendance during 2014				Meeting Attendance	
Board				100%	
Audit Committee				100%	
Board/Committee Membership				Public Board Membership	
Board of Directors (2014)				None	
Audit Committee (2014)					
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	1,000	896.41	41.15	78,037.27	-
Dec. 31, 2014	1,000	892.04	30.60	57,896.42	None
Dec. 31, 2013	None	None	28.73	None	None

<sup>5</sup> Mr. Chevrier is an ex-officio member of the Audit and Human Resources and Compensation Committees.

**PATRICIA CURADEAU-GROU**


Outremont, Québec, Canada

**Strategic Advisor  
to the President  
and Chief  
Executive Officer**
*National Bank of  
Canada*

Since June 2012

**Age:** 59

**Status:** Independent

**Joined Board:** May 2013

**Areas of Expertise**

- Banking
- Risk Management

Ms. Patricia Curadeau-Grou has been a senior officer of the National Bank of Canada since 1991. She was appointed Strategic Advisor to the President and Chief Executive Officer in June 2012 from her former position as Executive Vice President Risk Management, which she held from August 2011 to May 2012. Ms. Curadeau-Grou was previously Chief Financial Officer & Executive Vice President Finance, Risk and Treasury from 2008 to 2011; Senior Vice President, Finance, Risk and Treasury from 2007 to 2008; and Senior Vice President, Risk Management from 1998 to 2007.

Prior to joining National Bank, Ms. Curadeau-Grou held a number of key positions at major financial institutions, primarily in business development, credit and corporate planning. She has been a Director of Cogeco Cable Inc., a major cable telecommunications company, since November 2011 and serves as a member of its Audit and Human Resources committees. Ms. Curadeau-Grou also sits on the Board of Directors of the Caisse de dépôt et placement du Québec, Plan Canada and the Diabetic Children's Foundation.

Ms. Curadeau-Grou holds a Bachelor's Degree in Finance from McGill University and a diploma from the Institute of Corporate Directors. In 2007, Ms. Curadeau-Grou was inducted into the Women's Executive Network Hall of Fame for Canada's most powerful women.

Board and Committee Attendance during 2014			Meeting Attendance		
Board					100%
Audit Committee					100%
Board/Committee Membership			Public Board Membership		
Board of Directors (2013)					Cogeco Cable Inc.
Audit Committee (2013)					
Human Resources and Compensation Committee, Chair (2014)					
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	1,000	5,767.80	41.15	278,494.97	-
Dec. 31, 2014	1,000	5,739.66	30.60	206,233.60	None
Dec. 31, 2013	None	2,620.30	28.73	75,281.22	None

**JEAN DULAC, B.COMM., M.B.A., CHRP, ADM.A.**


Amos, Québec, Canada

**President**
*M&M Nord Ouest Inc.*

Since 2002

**Age:** 43

**Status:** Independent

**Joined Board:** May 2007

**Areas of Expertise**

- Automotive Industry
- Human Resources

Mr. Dulac is the President of M&M Nord Ouest Inc. since 2002, a distributor of automotive parts and industrial equipment for use in the mining and forestry industries and a member of the Uni-Select network.

Mr. Dulac holds a Bachelor of Commerce from the Université Laval which he completed at the University of New Hampshire (USA), a Masters of Business Administration from the Université de Sherbrooke which he completed at the Fisher Graduate School of Business of the Monterey Institute of International Studies in California (USA), a Certificate in Business Law from the Université de Montréal and a Certificado General Español from the Universidad de Salamanca (Spain).

He is also a Certified Human Resources Professional and member of the Ordre des Conseillers en Ressources Humaines as well as a Chartered Administrator and member of the Ordre des Administrateurs Agréés.

Board and Committee Attendance during 2014			Meeting Attendance		
Board					100%
Human Resources and Compensation Committee					100%
Board/Committee Membership			Public Board Membership		
Board of Directors (2007)					None
Human Resources and Compensation Committee (2012)					
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	782,300 <sup>6</sup>	2,041.35	41.15	32,275,646.55	-
Dec. 31, 2014	782,300 <sup>6</sup>	2,031.39	30.60	24,000,540.53	None
Dec. 31, 2013	869,800 <sup>6</sup>	1,312.88	28.73	25,027,073.04	None

<sup>6</sup> Mr. Dulac exercises joint control over 781,300 Shares with Daniel Dulac. In 2013, joint control was exercised over 868,800 Shares.

**JEFFREY IAN HALL, BAsC, P. ENG.**


Oakville, Ontario, Canada

 Corporate Director  
since 2015

Age: 57

Status: Independent

**Areas of Expertise**

- Distribution Industry
- Management & Leadership

Mr. Hall was the Chief Executive Officer of Rexel Canada Electrical Inc. from 2005 to 2014. Between 2003 and 2005, he was Vice President of Westburne, a Division of Rexel Canada Electrical Inc.

Mr. Hall graduated from the University of Toronto with a Bachelor of Applied Science, Industrial Engineering with an Honours Standing.

Board and Committee Attendance during 2014			Meeting Attendance		
n/a			n/a		
Board/Committee Membership			Public Board Membership		
n/a			None		
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	None	None	41.15	None	-
Dec. 31, 2014	None	None	30.60	None	None
Dec. 31, 2013	None	None	28.73	None	None

**RICHARD L. KEISTER**


Hollywood, Florida, USA

 Corporate Director  
since 2007

Age: 69

Status: Independent

Joined Board: May 2013

**Areas of Expertise**

- Automotive Industry
- Management & Leadership

As an active investor since retirement in 2007, Mr. Keister serves on boards in a variety of industries. He is Chairman of Superior Linen, LLC, a Las Vegas based supplier to hotels and restaurants, a director of Primeritus Financial Services, Inc. which provides services to U.S. banks & lending institutions and a Director of Lumenco, Inc., a high-tech light management company. Mr. Keister was Chairman of QCSA Holdings, Inc., a remarketing company of vehicles donated to charity & those declared total losses by auto insurance companies from 2010 to 2013. From 2004 to 2007, Mr. Keister was President and Chief Executive Officer of Keystone Automotive Industries, a publicly-traded distributor and remanufacturer of automotive collision parts, paint and materials to body shops throughout the U.S. and Canada. Prior thereto, he was Aftermarket President of Delco Remy International (1997-2004).

Mr. Keister holds an Advanced Professional Director Certification from the American College of Corporate Directors, a public company director education and credentialing organization. He is a graduate of the Harvard Business School OPM program, 1991 – 1993. He attended University of Virginia, Canal Zone College during his military service.

Board and Committee Attendance during 2014			Meeting Attendance		
Board			100%		
Corporate Governance Committee			100%		
Human Resources and Compensation Committee			100%		
Board/Committee Membership			Public Board Membership		
Board of Directors (2013) Corporate Governance Committee (2014) Human Resources and Compensation Committee (2013)			None		
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	17,100	3,618.09	41.15	852,549.40	-
Dec. 31, 2014	17,100	3,600.45	30.60	633,433.77	None
Dec. 31, 2013	17,100	2,851.30	28.73	573,200.85	None

**RICHARD G. ROY, FCPA, FCA**


Verchères, Québec, Canada

**President and Chief Executive Officer**  
*Uni-Select Inc.*  
 Since January 2008

Age: 59

Status: Non-Independent

Joined Board: May 2008

**Areas of Expertise**

- Automotive Industry
- Finance - Accounting

Mr. Roy is the President and Chief Executive Officer of Uni-Select. Prior to January 2008, he held the positions of Vice President, Chief Operating Officer and Vice President, Administration and Chief Financial Officer of the Corporation.

Mr. Roy holds a Bachelor's Degree in Business Administration from the École des Hautes Études Commerciales. He is a member of the Québec Order of Chartered Professional Accountants. He was awarded the title of Fellow in 2012.

Board and Committee Attendance during 2014				Meeting Attendance	
Board				100%	
Board/Committee Membership				Public Board Membership	
Board of Directors (2008)				Dollarama Inc.	
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	40,438	5,923.45	41.15	1,907,773.67	-
Dec. 31, 2014	40,438	5,894.56	30.60	1,417,776.34	None
Dec. 31, 2013	40,438	1,228.44	28.73	1,197,076.82	None

**DENNIS M. WELVAERT, B.S., M.B.A., MAAP**


Tulsa, Oklahoma, USA

**President**  
*Welvaert Business Solutions, LLC*  
 Since April 2011

Age: 66

 Status: Non-Independent<sup>7</sup>

Joined Board: July 2013

**Areas of Expertise**

- Business Improvement and Optimization
- North American Aftermarket Industry

Mr. Welvaert is President of Welvaert Business Solutions, LLC, a consulting company. He acted as Interim President of Uni-Select USA, Inc. from April to July 2013 and as Chair of the Board of Uni-Select USA, Inc. from July 31, 2013 to December 31, 2014. He retired as President of Dayco North American Aftermarket and Australian Operations Division of Dayco Products, LLC in August 2011. With Dayco, Mr. Welvaert held senior executive-level positions in the OEM, Industrial and Aftermarket divisions.<sup>8</sup>

Mr. Welvaert holds a Bachelor of Science in Chemistry from Wayne State University, a Master in Business Administration from Eastern Michigan University and a Master Automotive Aftermarket Professional designation from the University of the Aftermarket.

Board and Committee Attendance during 2014				Meeting Attendance	
Board				100%	
Corporate Governance Committee				100%	
Human Resources and Compensation Committee				100%	
Board/Committee Membership				Public Board Membership	
Board of Directors (2013)				None	
Corporate Governance Committee (2013)					
Human Resources and Compensation Committee (2013)					
Securities Held or Controlled					
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)	Convertible Debentures 5.9% (\$)
Feb. 28, 2015	200	2,804.06	41.15	123,617.07	-
Dec. 31, 2014	200	2,790.38	30.60	91,505.63	None
Dec. 31, 2013	200	960.86	28.73	33,351.51	None

<sup>7</sup> Mr. Welvaert is not independent having acted as Interim President of Uni-Select USA, Inc. until July 2013 and Chair of the Board of Uni-Select USA, Inc. until December 31, 2014.

<sup>8</sup> Mr. Welvaert was President of Dayco Products, LLC, North American Aftermarket Division, when its parent company, Mark IV Industries, Inc. declared bankruptcy in April 2009. Mark IV Industries, Inc. emerged from bankruptcy in November 2009 and Mr. Welvaert continued his role as President until his retirement in April 2011.



### 4.3 | INFORMATION ON SHAREHOLDINGS

The Board modified, on February 28, 2013, the minimum number of Shares that each director must hold from 1,000 shares to a minimum value of three times the annual allowance paid to the directors (\$60,000) representing a total value of \$180,000 (to be achieved within 5 years of the modification). As at February 28, 2015, Ms. Curadeau-Grou and Messrs. Buzzard, Chevrier, Dulac, Keister and Roy meet the minimum ownership value for directors set by the Board of Directors. The Corporation has set the minimum number of Shares that each officer must hold in its Share Ownership Guidelines (“SOG”). For information regarding the SOG, refer to Section 8.3 *Summary of Senior Executives Compensation Elements*.

### 4.4 | DIRECTOR INDEPENDANCE

A majority of the members of the Board of Directors and a majority of the members of the Board’s committees are independent, as defined by the Canadian Securities Administrators. The Board, either directly or through one of its committees, adopts structures and procedures to ensure the Board functions independently of Management.

**6 of the 9 nominees for election to the Board of Directors are independent.**

At any time, any director may request that a meeting of the Board or any committee be held without Management or non-independent directors. The agenda for each Board and committee meeting provides for a period of discussion between Board members in the absence of Management or non-independent directors.

All director nominees are independent, except (i) James E. Buzzard who until June 1, 2012 was Senior Vice President, Corporate Development, USA of Uni-Select, (ii) Richard G. Roy who is the President and Chief Executive Officer of the Corporation and (iii) Dennis M. Welvaert who acted as Interim President of Uni-Select USA, Inc. from April to July 2013 and as Chair of the Board of Uni-Select USA, Inc. from July 31, 2013 to December 31, 2014.

#### *INDEPENDENT CHAIR OF THE BOARD*

The Corporation’s Board has been led by a non-executive Chair since it became public in 1985 and believes that the separation of the positions of President and Chief Executive Officer and Chair effectively allows the Board to function independently of Management and enhance accountability. Potential conflicts of interest are avoided while sound leadership, effective decision-making and candid discussion are promoted by having an independent Chair of the Board.

### 4.5 | DIRECTOR INTERLOCKS

The Corporation does not currently have a policy whereby it limits the number of its directors who sit on the same board or committee of another public corporation but reviews interlocking board and committee memberships and believes disclosing them is important. As of February 28, 2015, there are no interlocking public corporation directorships or committee memberships among the Board members and the nominees.



## 5 | REPORT ON CORPORATE GOVERNANCE PRACTICES

Uni-Select has adopted certain policies and procedures to ensure that effective corporate governance practices are followed and the Board functions independently of Management. Our Corporate Governance Guidelines provide a framework of authority and accountability to enable the Board and Management to make timely and effective decisions that promote shareholder value while complying with applicable laws and Uni-Select's commitment to ethical conduct, integrity and transparency.

**A copy of the Corporate Governance Guidelines are available at [uniselect.com](http://uniselect.com) or by contacting Investor Relations.**

The Board of Directors believes that good corporate governance practices are important and follows the evolution of corporate governance practices and guidelines in Canada. The Corporate Governance Committee will pursue its review of Uni-Select's corporate governance practices and, if appropriate, will make recommendations to the Board of Directors to improve them. Information concerning governance is included in Schedule A.

### 5.1 | CORPORATE GOVERNANCE INITIATIVES

Among its various corporate governance initiatives, the Corporation has adopted:

- 1 A Code of Ethics;
- 2 A conflict of interest policy;
- 3 A whistleblower policy;
- 4 An insider trading and blackout Policy;
- 5 A minimum ownership requirement policy for directors and Senior Executives;
- 6 A majority voting policy for the election of directors;
- 7 Charters for the Board and each of its committees;
- 8 Position descriptions for the Chief Executive Officer, the Chair of the Board of Directors and the committee Chairs;
- 9 A selection process for new directors;
- 10 An assessment process for the President and Chief Executive Officer, the Board of Directors, the committees and the directors;
- 11 A continuing education program for the directors; and
- 12 An Annual Assessment process for the External Auditors.

### 5.2 | BOARD MANDATE

The Board of Directors adopted a Board of Directors' Charter in order to identify the responsibilities of the Board and thereby to enhance coordination and communication between the Board and Management. A copy of the Board of Directors' Charter is attached hereto as Schedule B.

### 5.3 | COMMITTEES OF THE BOARD

The primary responsibility of the Board is to supervise the Management of the Corporation so as to foster its long-term success consistent with the Board's responsibility to the shareholders to maximize shareholder value. The Board approves all matters required by the Business Corporations Act (Québec) ("BCA Québec") and other applicable legislation and the Corporation's Articles and By-laws. To the extent permitted by the BCA Québec, the Board may delegate the exercise of its powers to any director, officer or Board committee.

Given the size of the Corporation, the nature and geographic scope of its activities and the great number of laws and regulations to which the Corporation is subject, the Board of Directors has established committees that have certain responsibilities. These committees are the Audit Committee, the Corporate Governance Committee and the Human Resources and Compensation Committee. All committees report to the Board of Directors and Board committee recommendations are subject to Board approval.

**A copy of the Board and committee charters is available at [uniselect.com](http://uniselect.com) or by contacting Investor Relations.**

The following is a summary of the mandate of each committee of the Board of Directors.

#### *AUDIT COMMITTEE*

The Audit Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities with respect to the integrity of the Corporation's financial statements, reports and financial reporting process. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Board, the external auditors and Management of the Corporation and monitor their performance, recognizing that the external auditors are ultimately accountable to the Committee, the Board and the shareholders of the Corporation.

#### *CORPORATE GOVERNANCE COMMITTEE*

The Corporate Governance Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities in overseeing the implementation of corporate governance rules, procedures and policies as well as compliance therewith, in particular by establishing and reviewing the functions of the Board and its committees, and those of the Chair of the Board. It also periodically reviews the selection and succession criteria and procedures for directors. Furthermore, it ensures that a process is set up to assess the performance and effectiveness of the Board, the committees and their members. It establishes criteria for, and annually implements, an evaluation process for the Board, the Board Chair, each committee of the Board in order to assess their effectiveness and contribution and recommends steps which may be taken to improve effectiveness. The Committee also ensures that full and complete disclosure of the Corporation's systems of corporate governance is made, where appropriate, in the Corporation's disclosure documents.

## HUMAN RESOURCES AND COMPENSATION COMMITTEE

The Human Resources and Compensation Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities relating to human resources and compensation and to establish a succession plan and development of Senior Executives. The Committee has the responsibility for evaluating and making recommendations to the Board regarding the compensation of the Corporation's executives and the short-term and long-term compensation plans, policies and programs of the Corporation. In addition, the Committee produces an annual report on executive compensation for inclusion, where appropriate, in the Corporation's Management Information Circular.

### 5.4 | POSITION DESCRIPTIONS

The Board of Directors must define the roles and responsibilities of the Board and Management. In addition, the Board has developed position descriptions for the President and Chief Executive Officer, the Chair of the Board and the committee Chairs.

The Chair of the Board is responsible for effectively managing the affairs of the Board in accordance with corporate governance principles.

The committee Chair position description sets out the responsibilities and duties of the Chair in guiding each committee in the fulfillment of its duties.

The position description for the President and Chief Executive Officer is developed with input from the President and Chief Executive Officer and the Human Resources and Compensation Committee, and is approved by the Board of Directors. The description provides that the President and Chief Executive Officer's fundamental responsibility is the general direction and management of the business and affairs of the Corporation, within the authority limitations delegated by the Board, focused on meeting the corporate goals and objectives approved by the Board of Directors.

**A copy of the position descriptions is available at [uniselect.com](http://uniselect.com) or by contacting Investor Relations.**

### 5.5 | DIRECTOR ORIENTATION AND CONTINUING EDUCATION

The Board ensures that all new directors receive a comprehensive orientation regarding the nature and operation of the Corporation's business. Management provides new directors with general information on the Corporation and the new directors are given the opportunity to meet with executive management and operational personnel and to visit the Corporation's distribution centres and other facilities.

New directors are also provided with a basic understanding of the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Corporation expects from its directors) in order to assist new directors in contributing effectively to the Board.

The Board also ensures that the directors receive continuing education on a regular basis. Management or independent consultants give presentations to the Board of Directors on various topics and update the Board on governance initiatives and issues.

## 5.6 | ETHICAL BUSINESS CONDUCT

The Corporation has a Code of Ethics that governs the conduct of Uni-Select's directors, officers and employees. The Board of Directors, together with the Human Resources and Compensation Committee, is responsible for monitoring the implementation, operation and effectiveness of the Code by ensuring that it is complied with and kept up-to-date and by recommending the adoption of any policies and procedures that are required pursuant to the Code. Management oversees its practices to ensure that they reflect the values and beliefs advocated by the Corporation in addition to the fundamental rules that must govern all persons who may, in one form or another, engage the Corporation's responsibility. Failure to comply with this Code is grounds for disciplinary action that may include termination of employment or, in the case of directors, removal from the Board of Directors.

**A copy of the Code of Ethics, the policy on Conflict of Interest and the Whistleblower Policy is available at [uniselect.com](http://uniselect.com) or by contacting Investor Relations.**

### *CONFLICT OF INTEREST*

Uni-Select has a policy governing conflict of interest that must be completed and signed by all directors, officers and employees. The purpose of this Policy is to maintain a high level of integrity in carrying out professional activities and to ensure compliance with the laws, regulations and highest standards of professional conduct in every country in which the Corporation carries on business. In general, any employee, officer or director of the Corporation must not have any dealings, ties or interests which could deprive the Corporation of their loyalty when they are acting in the name of the Corporation.

No employee, officer or director shall commit to or develop a professional relationship with an individual or company or become involved in any initiative or action whatsoever in which they believe there is a potential or apparent conflict of interest without previously requesting approval.

Officers shall promptly report to the President and Chief Executive Officer and Directors shall promptly report to the Chair of the Board, or to the Chair of the Human Resources and Compensation Committee, any material personal financial interests in, or employment or position with, any business or company which is in competition with the Corporation or which carries on or wishes to carry on business with the Corporation or any other situation which may give rise to a potential or apparent conflict of interest.

### *WHISTLEBLOWER POLICY*

The Corporation has a policy in place with regards to the Audit Committee Whistleblower Procedures. This Policy describes the process for the receipt and handling of complaints and the retention of complaint files with respect to the Corporation's accounting, internal accounting controls or auditing matters.

The Audit Committee has the responsibility to provide for the confidential and anonymous submission by the Corporation's employees of concerns relating to accounting or auditing matters. The procedures are intended to fulfill these responsibilities and to ensure that any such complaints and concerns are promptly and effectively addressed.

## 6 | DIRECTOR COMPENSATION AND ATTENDANCE

### 6.1 | HIGHLIGHTS

In 2014, the directors:

- 1 Conducted customary responsibilities such as:
  - Evaluation of Management performance;
  - Evaluation of the Corporation's performance; and
  - Evaluation of the Action Plan tabled in 2013.
- 2 Modified the composition of the various committees of the Board;
- 3 Prepared the succession of the members of the Board.

### 6.2 | COMPOSITION OF THE COMMITTEES

The following table sets out current committee members:

COMMITTEE <sup>1</sup>	FROM JANUARY 1, 2014 TO APRIL 30, 2014	SINCE APRIL 30, 2014
<b>Audit</b>	John A. Hanna, Chair James E. Buzzard Patricia Curadeau-Grou Hubert Marleau	John A. Hanna, Chair André Courville <sup>2</sup> Patricia Curadeau-Grou
<b>Corporate Governance</b>	Robert Chevrier, Chair James E. Buzzard Pierre Desjardins John A. Hanna Dennis M. Welvaert	Robert Chevrier, Chair James E. Buzzard John A. Hanna Richard L. Keister Dennis M. Welvaert
<b>Human Resources and Compensation</b>	Pierre Desjardins, Chair Jean Dulac Richard L. Keister Dennis M. Welvaert	Patricia Curadeau-Grou, Chair James E. Buzzard Jean Dulac Richard L. Keister Dennis M. Welvaert

<sup>1</sup> Robert Chevrier is an ex-officio member of all committees. Richard G. Roy is invited to assist the deliberations of all committees.

<sup>2</sup> André Courville became a member of the Audit Committee on July 1, 2014.

### 6.3 | DIRECTOR COMPENSATION

The objective of the Corporation is to offer its directors competitive compensation, sufficient to attract and retain directors who display qualities relevant to the environment in which the Corporation evolves.

The global compensation of the directors is reviewed regularly. In the spring of 2011, the Human Resources and Compensation Committee retained the services of Towers Watson, a global professional service firm, to prepare a comparative analysis of director compensation of corporations comparable to Uni-Select based on their size, location and nature of activities.

The following table displays the compensation structure of directors for 2014:

ITEM OR SERVICE	FEE
Chair of the Board annual allowance <sup>1</sup>	\$250,000
Quarterly allowance	\$15,000 <sup>2</sup>
Participation in a committee or Board meeting	\$1,750
Annual allowance for the Chair of the Audit Committee	\$12,000
Annual allowance for the Chair of the Human Resources and Compensation Committee	\$12,000
Annual allowance for the Chair of other committees	\$8,000

<sup>1</sup> Since May 8, 2012, Mr. Chevrier receives an annual allowance and does not receive any additional compensation for any committee or Board meetings. At Mr. Chevrier's request, his annual allowance is paid in DSUs.

<sup>2</sup> Out of the quarterly allowance, a minimum of \$5,000 is payable in DSUs.

### 6.4 | DIRECTOR COMPENSATION TABLE

The following table provides the annual retainers and attendance fees that each non-Management director earned during the fiscal year ended December 31, 2014 for their participation on the Board of Directors of Uni-Select and its committees:

NAME	FEES EARNED	SHARE-BASED AWARDS <sup>1</sup>	OPTION-BASED AWARDS	NON-EQUITY INCENTIVE PLAN COMPENSATION	PENSION VALUE	ALL OTHER COMPENSATION	TOTAL
James E. Buzzard	\$0.00	\$92,768.13	-	-	-	-	\$92,768.13
Robert Chevrier	\$0.00	\$276,267.61	-	-	-	-	\$276,267.61
André Courville <sup>2</sup>	\$16,125	\$27,296.32	-	-	-	-	\$43,421.32
Patricia Curadeau-Grou	\$0.00	\$95,452.51	-	-	-	-	\$95,452.51
Pierre Desjardins <sup>3</sup>	\$41,500.00	\$0.00	-	-	-	-	\$41,500.00
Jean Dulac	\$59,250.00	\$21,986.47	-	-	-	-	\$81,236.47
John A. Hanna	\$0.00	\$105,709.88	-	-	-	-	\$105,709.88
Richard L. Keister	\$61,000.00	\$22,923.82	-	-	-	-	\$83,923.82
Hubert Marleau <sup>4</sup>	\$32,000.00	\$0.00	-	-	-	-	\$32,000.00
Dennis M. Welvaert	\$32,250.00	\$55,983.28	-	-	-	-	\$88,233.28
<b>TOTAL</b>	<b>\$242,125.00</b>	<b>\$698,388.02</b>	-	-	-	-	<b>\$940,513.02</b>

<sup>1</sup> The column shows the dollar value of DSUs issued to the respective directors as at December 31, 2014. The DSUs are paid on a quarterly basis in lieu of a portion of the fees earned by the director shown in the fees column based either on (i) the Board's decision to pay a percentage of the director's remuneration in DSUs instead of cash or (ii) the director's decision to receive a percentage of his or her remuneration in DSUs instead of cash.

<sup>2</sup> André Courville became a director of the Corporation on July 1, 2014.

<sup>3</sup> Pierre Desjardins ceased to be a director of the Corporation on April 30, 2014.

<sup>4</sup> Hubert Marleau ceased to be a director of the Corporation on April 30, 2014.

Aside from Richard G. Roy and Dennis M. Welvaert, directors received no other form of compensation from the Corporation other than the compensation disclosed in the above table.

Richard G. Roy, President and Chief Executive Officer of the Corporation, did not receive any compensation as a director of Uni-Select. However, Mr. Roy did receive compensation as President and Chief Executive Officer of the Corporation as disclosed in Section 9 *Summary Compensation Table*.

Dennis M. Welvaert received an amount of US\$100,000.00 in his capacity as Chair of the Board of Uni-Select USA, Inc., a position he left in December 2014.

The following table shows all awards of DSUs<sup>9</sup> outstanding for each Director for the year ending December 31, 2014:

NAME	OPTION-BASED AWARDS				SHARE-BASED AWARDS		
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS	OPTION EXERCISE PRICE	OPTION EXPIRATION	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED <sup>1</sup>	MARKET OR PAYOUT VALUE OF VESTED SHARE-BASED AWARDS NOT PAID OUT OR DISTRIBUTED
	(#)	(\$)	DATE	(\$)	(#)	(\$)	(\$)
James E. Buzzard	-	-	-	-	8,216.29	251,418.62	N/A
Robert Chevrier	-	-	-	-	27,797.45	850,601.83	N/A
André Courville	-	-	-	-	892.04	27,296.32	N/A
Patricia Curadeau-Grou	-	-	-	-	5,739.66	175,633.72	N/A
Pierre Desjardins	-	-	-	-	-	-	-
Jean Dulac	-	-	-	-	2,031.39	62,160.59	N/A
John A. Hanna	-	-	-	-	9,016.45	275,903.26	N/A
Richard L. Keister	-	-	-	-	3,600.45	110,173.62	N/A
Hubert Marleau	-	-	-	-	-	-	-
Dennis M. Welvaert	-	-	-	-	2,790.38	85,385.65	N/A

<sup>1</sup> DSUs shall be redeemed upon certain redemption events. The Number of DSUs is determined quarterly by dividing total fees earned in the quarter by the average closing price of the Common Shares traded on the TSX during the five (5) trading days immediately preceding the last day of each quarter.

The Corporation reimburses its directors for travel and other out-of-pocket expenses incurred in attending Board or committee meetings. To the exception of Mr. Roy, none of the directors are participants in any pension fund sponsored by Uni-Select nor do they receive any form of share-based compensation except for the DSUs.

The directors are insured by a Directors & Officers insurance policy. The premium of \$101,823.29 is paid by the Corporation.

<sup>9</sup> Refer to Section 8.6 *Direct Remuneration – Short-Term Incentive Plan* for additional details concerning the Deferred Share Unit Plan.

## 6.5 | SUMMARY OF ATTENDANCE RECORD

The following table indicates the attendance record of each director for all Board and committee meetings held in 2014.

NAME	NUMBER OF MEETINGS ATTENDED IN 2014			
	BOARD (7 MEETINGS)	AUDIT COMMITTEE (4 MEETINGS)	CORPORATE GOVERNANCE COMMITTEE (3 MEETINGS)	HUMAN RESOURCES AND COMPENSATION COMMITTEE (4 MEETINGS)
James E. Buzzard <sup>1</sup>	7/7	2/2	3/3	2/2
Robert Chevrier <sup>2</sup>	7/7	2/4	3/3	3/4
André Courville <sup>3</sup>	5/5	2/2	N/A	N/A
Patricia Curadeau-Grou <sup>4</sup>	7/7	4/4	N/A	2/2
Pierre Desjardins <sup>5</sup>	2/2	N/A	2/2	2/2
Jean Dulac	7/7	N/A	N/A	4/4
John A. Hanna	7/7	4/4	3/3	N/A
Richard L. Keister <sup>6</sup>	7/7	N/A	1/1	4/4
Hubert Marleau <sup>7</sup>	2/2	2/2	N/A	N/A
Richard G. Roy	7/7	N/A	N/A	N/A
Dennis M. Welvaert	7/7	N/A	3/3	4/4

<sup>1</sup> James E. Buzzard ceased to be a member of the Audit Committee and was appointed to the Human Resources and Compensation Committee in April 2014.

<sup>2</sup> Robert Chevrier is an ex-officio member of all committees.

<sup>3</sup> André Courville was elected to the Board and appointed to the Audit Committee on July 1, 2014.

<sup>4</sup> Patricia Curadeau-Grou was appointed to the Human Resources and Compensation Committee in April 2014 and acts as its Chair.

<sup>5</sup> Pierre Desjardins ceased to be a director of the Corporation in April 2014.

<sup>6</sup> Richard L. Keister was appointed to the Corporate Governance Committee in April 2014.

<sup>7</sup> Hubert Marleau ceased to be a director of the Corporation in April 2014.

In 2014, the agendas for every regularly scheduled board and committee meeting provided for an in camera meeting, without any member of Uni-Select's Management being present. The directors met in camera without management present at all regular meetings of the Board in 2014. Depending on the requirements of the members, in camera committee meetings were held as warranted.



## 6.6 | BOARD SUCCESSION AND SKILLS MATRIX

The Corporate Governance Committee is responsible for identifying and recommending to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board. When recommending candidates to the Board, the Committee takes into consideration such factors as:

- 1 The competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
- 2 The individual competencies and skills of the candidate;
- 3 The compatibility of each candidate with the other members of the Board; and
- 4 Whether or not each new nominee can devote sufficient time to his or her duties as a Board member.

In addition, judgment, independence, skill, diversity, experience with businesses and other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members and the extent to which the candidate would be a desirable addition to the Board and any committee of the Board is also considered. The Committee also considers legal and regulatory requirements applicable to the Corporation in respect of the composition of the Board and its committees.

## 6.7 | BOARD DIVERSITY

Uni-Select recognises the benefits to the Corporation of diversity at all levels of its business, including at Board and management levels. With respect to Board composition, the Corporate Governance Committee generally seeks to ensure that the Board is composed of directors with diverse backgrounds and personal characteristics and traits as well as competencies and expertise that add value to the Corporation and that each director will serve the Board to best discharge its responsibilities. When considering the appointment of new directors, the Committee will take into account the diversity of the Board (including gender diversity), the Board's mix of skills, knowledge and experience, the independence of the Board members and the ongoing requirements of the Corporation. However, the Corporation believes that diversity considerations should not override the promotion of candidates who bring the necessary skills, competencies, knowledge and experience to the business. For this reason, although diversity is valued, the Corporation does not have a written policy regarding the representation of women on the Board and has refrained from setting specific diversity targets (including in respect of gender diversity). There is currently 1 woman on the board, representing 11.1% of the current 9 directors.

The table below illustrates the current skills and experience of the nominees to the Board:

SKILL	DESCRIPTION	JAMES E. BUZZARD	ROBERT CHEVRIER	ANDRÉ COURVILLE	PATRICIA CURADEAU-GROU	JEAN DULAC	JEFFREY I. HALL	RICHARD L. KEISTER	RICHARD G. ROY	DENNIS M. WELVAERT
Senior Executive	Experience as a President, CEO or executive officer of a publicly-listed company or a major organization	■	■		■		■	■	■	■
Management and Leadership	Experience driving strategic direction and leading growth of an organization	■	■	■	■	■	■	■	■	■
Business Development/M&A/Strategic Planning	Management or executive experience with responsibility for identifying value creation opportunities	■	■	■	■	■	■	■	■	■
Financial Literacy	Experience in financial accounting and reporting and financing, particularly with respect to internal controls, Canadian GAAP and/or IFRS		■	■	■	■	■		■	■
Corporate Governance	Prior or current experience as a board member of a Canadian organization (public, private or non-profit)	■	■	■	■	■	■		■	■
Automotive Industry Knowledge	Operating, management, marketing or regulatory expertise in the automotive parts industry	■	■			■		■	■	■
Change Management	Experience leading a major organizational change or managing a significant merger	■	■	■	■		■	■	■	■
Health, Safety and Environmental Management	Understanding of the regulatory environment surrounding workplace health, safety, environment and social responsibility	■		■	■	■		■		■
Global Experience	Management or executive experience in a multi-national organization providing understanding of the challenges faced in a different cultural, political or regulatory environment		■	■	■		■	■	■	■
Human Resources	Senior Executive experience or board compensation committee participation with an understanding of compensation, benefits and pension programs, legislation and agreements, as well as expertise in executive compensation programs	■	■	■	■	■	■	■	■	■
Marketing	Senior Executive experience in an industry where consumer marketing is a critical component	■	■		■					■
Legal Expertise	Significant private practice or in-house experience advising within the public company environment									
Risk Evaluation	Management or executive experience in evaluation and managing the variety of risks faced by an organization	■	■	■	■	■	■	■	■	■
Real Estate	Senior Executive experience in real estate, whether commercial, residential, developmental or leasing	■			■		■			
Sustainable Development	Understanding the constituents of sound sustainable development practices and their relevance to corporate success	■		■	■	■	■	■		■
General Commercial Experience	A broad range of commercial/business experience in areas including communications, marketing, branding and business systems, practices and improvements	■	■	■	■	■	■	■	■	■

## RETIREMENT AGE AND TERM LIMITS

In 2012, the Board adopted a tenure policy which imposes a retirement age limit of 72 years at the time of election as well as a term limit of 15 years. The Board may, however, waive the age limit for incumbents who are, at the time of election, over the age of 61.

The table below lists the likely retirement dates of the current board members of the Corporation based on current age and the committees on which they serve. Mr. Hanna will retire on April 30, 2015 prior to the Meeting.

DIRECTOR	RETIREMENT YEAR	BOARD COMMITTEES
James E. Buzzard	2024	Corporate Governance Human Resources and Compensation
Robert Chevrier	2016	Audit Corporate Governance Human Resources and Compensation
André Courville	2025	Audit
Patricia Curadeau-Grou	2027	Audit Human Resources and Compensation
Jean Dulac	2022	Human Resources and Compensation
John A. Hanna	2015	Audit Corporate Governance
Richard L. Keister	2018	Corporate Governance Human Resources and Compensation
Richard G. Roy	2023	-
Dennis M. Welvaert	2020	Corporate Governance Human Resources and Compensation

## 7 | EXECUTIVE COMPENSATION RELATED FEES

In 2014, the Corporation retained the services of Eckler and Towers Watson. Towers Watson is an expert-consultation firm that provides independent advice on executive compensation, group assurance and benefits. Eckler is an actuarial consulting firm. They are responsible for the management on an annual basis of the Uni-Select pension funds.

In 2012, Eckler was mandated to provide the Committee with advice and assistance with the integration of the New Supplemental Executive Retirement Plan for the Senior Executives nominated after July 1, 2012.

Total fees paid by the Corporation to Towers Watson and Eckler for services rendered in 2014 (as compared to 2013) are presented in the table below:

TYPE OF MANDATE	FEES PAID TO TOWERS WATSON & ECKLER FOR SERVICES RENDERED PERTAINING TO EXECUTIVE COMPENSATION	
	DECEMBER 31, 2014	DECEMBER 31, 2013
Executive compensation and benefits – related fees	\$3,141.79	\$33,456.20
All other fees (Pension – Eckler)	\$18,165.00	\$19,217.61
<b>Total</b>	<b>\$21,306.79</b>	<b>\$52,673.81</b>

## 7.1 | EXECUTIVE OFFICER RECRUITMENT

The Corporation strives toward increasing the gender parity between the executive officer but does not consider it should override the promotion of candidates who bring the necessary skills, competencies, knowledge and experience to the business. For this reason, although diversity is valued, the Corporation does not have a written policy regarding the representation of women in Management and has refrained from setting specific diversity targets. The Corporation continues its efforts in identifying more female candidates who meet the various selection criteria.

Women make up 21% of Uni-Select’s workforce, giving it a real opportunity to develop female leaders. Currently there are 3 women in executive officer positions of the Corporation, representing 8.8% of executive officers of the Corporation.

## 8 | EXECUTIVE COMPENSATION DISCLOSURE & ANALYSIS

This Compensation Disclosure & Analysis report (“**CD&A**”) is prepared by the Human Resources and Compensation Committee (referred to in this Section 8 as the “**Committee**”).

### 8.1 | MANDATE OF THE COMMITTEE

The Committee assists the Board in fulfilling its responsibilities related to governance and the strategic oversight of the human capital of Uni-Select including organizational efficiency, the improvement of leadership and succession planning. The Committee is also responsible for conceiving and putting into place the remuneration policies and practices at Uni-Select, their harmonization with Uni-Select’s strategy of achieving a constant and durable return over the long term and for ensuring that Uni-Select’s remuneration programs do not entice undue risk taking.

<b>PHILOSOPHY, POLICIES AND COMPENSATION PLANS, INCLUDING SHORT-TERM AND LONG-TERM INCENTIVE PLANS</b>	Taking into account the direction of the Corporation, the Committee examines, approves and recommends to the Board the strategy to put in place for Senior Executives’ compensation. The Committee then administers compensation and benefit programs in accordance with the approved strategy.
<b>EVALUATION OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER</b>	<p>Annually, the Committee recommends to the Board the compensation of the President and Chief Executive Officer and evaluates his performance against specific objectives.</p> <p>The Committee, within its mandate, takes into account the performance of the Corporation, shareholders’ return and the compensation offered for comparable positions at other corporations.</p>
<b>SUCCESSION PLANNING</b>	The Committee ensures that the official succession plan is periodically updated for the Chief Executive Officer and other Senior Executives.
<b>UNI-SELECT’S RETIREMENT FUNDS AND PENSION PLANS</b>	The Committee ensures that it is well-informed on the return on investments, the important risks related to the governance structure of Uni-Select’s pension plans and other related pension plans.
<b>RISKS RELATED TO COMPENSATION AND HUMAN RESOURCES</b>	At least once per year, the Committee examines all the risks related to remuneration. This includes a review of the compensation philosophy, the features of the incentive program, an evaluation of performance and a review of the various governance elements in place to manage compensation.
<b>INDEPENDENCE FROM THE COMMITTEE</b>	The majority of the members meet the independence criteria approved by the Board.

## 8.2 | EXPERTISE OF THE COMMITTEE

The members of the Committee have various experiences and most of them have a thorough understanding of principles and policies underlying executive compensation decisions that was acquired, among other things, through experience as a senior executive officer of large publicly-traded corporations or as a former president and chief executive officer of a publicly-traded corporation.

They have therefore acquired thorough knowledge of the most important subjects related to executive compensation such as the review of compensation contracts, leadership and succession planning, the development of incentive plans, the analysis of the compensation market, the financial analysis of compensation plans, pension fund administration, the regulatory environment and the negotiation of employment conditions.

### *EXECUTIVE COMPENSATION POLICY OBJECTIVE*

The Corporation's executive compensation policy aims to attract and retain competent individuals and motivate them to optimize value for the Corporation's shareholders. The compensation is designed to be competitive and to stimulate a profitable return on investments and long-term growth.

The Corporation's compensation policies and practices are designed to adequately reward Senior Executives for their services, and to encourage them to establish short-term and long-term strategies for increasing share value and creating economic wealth. The Corporation's strategy, therefore, places the emphasis on compensation elements linked to performance, including share value through stock option grants.

### *EXECUTIVE COMPENSATION STRUCTURE REVIEW*

In 2012, Towers Watson, an expert consulting firm that provides independent advice on executive compensation and related governance questions, was appointed by the Committee to provide assistance with the Executive Compensation Structure Review ("**2012 Review**"). The 2012 Review encompassed a market compensation competitiveness analysis for the CEO, the CFO as well as twelve other Senior Executives and included all elements forming part of executive compensation during fiscal 2011, with the objective of making any appropriate changes when establishing the compensation for the fiscal year 2012. The objective of the Committee was to better align executive compensation with shareholder value.

The Corporation's compensation practices were therefore compared to a comparative group, approved by the Committee. The comparative group is composed of 19 Canadian and U.S. companies ("**Comparative Group**") conforming to, at least, one of the following criteria:

- 1 Companies operating in the auto parts industry (direct competitors);
- 2 Companies acting mainly in the distribution sector;
- 3 Companies having similar organizational features (i.e. operating a large number of stores, operating a large distribution network, etc.); and
- 4 Companies of similar size.

The Corporation does not use the data compiled from the Comparative Group for any purpose other than for the comparison of Senior Executive compensation practices against those of the Comparative Group. The Committee considers that such comparison is a determining factor in setting compensation.

<b>COMPARATIVE GROUP</b>	
<b>USA</b>	<b>CANADA</b>
Applied Industrial Technologies, Inc.	Canadian Tire Corporation, Limited
Beacon Roofing Supply, Inc.	Purolator Inc.
Fastenal Company	Richelieu Hardware Ltd.
Genuine Parts Company	Rona Inc.
MSC Industrial Direct Co., Inc.	Russel Metals Inc.
O'Reilly Automotive Stores, Inc.	Superior Plus Corp.
The Pep Boys – Manny, Moe & Jack	Taiga Building Products Ltd.
Pool Corporation	UAP Inc.
Watsco, Inc.	Wajax Corporation
W.W. Grainger, Inc.	

*2012 REVIEW – SUMMARY OF THE FINDINGS*

In general, the compensation of Uni-Select’s Senior Executives was found to be below the median of the Comparative Group, both for the salary scales and bonus targets while being well above on pension benefits. Bonus compensation at Uni-Select was almost exclusively paid in cash while the Comparative Group was more aligned with instruments connected with shareholder value. Consequently, the Committee’s objective has aligned Senior Executives with shareholder value by having created a bonus structure which reflects the value of Uni-Select’s shares over time.

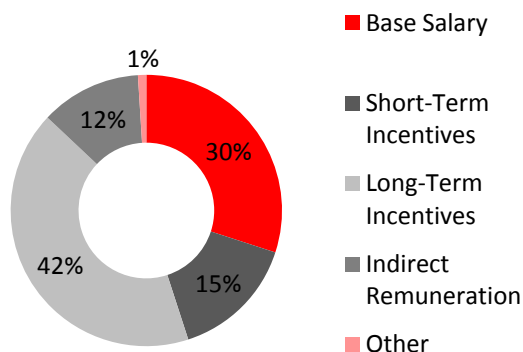
### **8.3 | SUMMARY OF SENIOR EXECUTIVES COMPENSATION ELEMENTS**

The following table presents the key components of Senior Executive compensation, whether such components represent a direct or indirect remuneration.

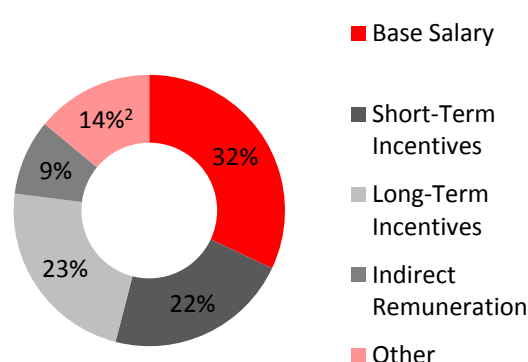
<b>DIRECT REMUNERATION</b>			
<b>SHORT-TERM</b>		<b>MEDIUM/LONG-TERM</b>	
Base salary		Deferred Share Unit & Performance Share Unit Plans	Stock Option Plan
Annual group bonus	Annual individual bonus		
<b>INDIRECT REMUNERATION</b>			
Group medical insurance and benefits		Pension Plan	

Based on the analysis gathered from the Comparative Group, the Committee recommended to align, in 2014, the base salaries with the median of the Comparative Group for new Senior Executives while remaining below the mentioned median for current Senior Executives who decided to stay with their current supplementary retirement plan. The Committee’s objective is also to provide variable compensation and retirement programs in line with those of direct competitors and organizations in similar industries, and to favor stock-based long-term incentives. The Committee strives to provide adequate balance between components representing fixed and variable compensation in order to place the emphasis on compensation elements linked to performance and achieve the compensation policy’s objective.

### CEO's 2014 Compensation Mix



### NEO's 2014 Compensation Mix<sup>1</sup>



<sup>1</sup> The Named Executive Officers or NEOs are identified in Section 8.4.

<sup>2</sup> 12.7% of the 14% is derived from Mr. Buckley's signing bonus as per his employment agreement.

#### SHARE OWNERSHIP GUIDELINES

The interests of the Senior Executives are further aligned with shareholder interests through stock ownership requirements. The Committee adopted Share Ownership Guidelines ("**SOG**") in early 2013 that require minimum levels of share ownership, based on each Senior Executive's position and salary. Senior Executives are required to own Shares having an aggregate value equal to:

- 1 Three times his or her annual base salary for the CEO;
- 2 Two times his or her annual base salary for the COO;
- 3 One and a half time his or her annual base salary for the President and COOs, CFO, EVPs or Senior VPs of business units; and
- 4 One time his or her annual base salary for VPs of the Corporation.

There is no time limitation to meet Share ownership targets. However, until target ownership is reached, Senior Executives must:

- i) retain 50% of the number of Shares obtained (after taxes) when issued from time to time under the terms of the Stock Option Plan; and
- ii) elect to receive in DSUs no less than 20% or 30% (refer to Section 8.6) of the value of short-term bonus.

The SOG shall not apply to Senior Executives in an event of his or her retirement. Furthermore, Shares held of record or in brokerage accounts and Deferred Share Units count towards ownership. For the purpose of assessing ownership levels, compliance is calculated as at December 31st of each year based on the average closing price of the Shares over the last five business days.

As at February 28, 2015, save for Mr. Roy and Mr. Mathieu, none of our Named Executive Officers (refer to Section 8.4) have reached the minimum level under the SOG.

## 8.4 | NAMED EXECUTIVE OFFICERS

This CD&A focuses on the compensation paid to the Senior Executives listed below (also identified as the “**Named Executive Officers**” or the “**NEOs**”), during the financial year ended December 31, 2014. The Named Executive Officers include the Chief Executive Officer, the Chief Financial Officer and the three most highly compensated Senior Executives, taking into account their total compensation (excluding pensions). The NEOs are:

- 1 Richard G. Roy, President and Chief Executive Officer;
- 2 Denis Mathieu, Executive Vice President, Corporate Services and Chief Financial Officer;
- 3 Henry L. Buckley, Chief Operating Officer;
- 4 Steven Arndt, President and Chief Operating Officer, FinishMaster, Inc.; and
- 5 Gary O’Connor, President and Chief Operating Officer, Automotive Canada.

## 8.5 | DIRECT REMUNERATION – BASE SALARY

The base salary component of NEO compensation aims to reflect salaries offered for positions involving similar responsibilities and complexity, hierarchical level, as well as the ability and experience of the NEO. The base salary for each NEO is revised annually. Base salary does not fluctuate in relationship with the performance of the Corporation or NEO, and the compensation is paid as long as the NEO remains employed with Uni-Select. The Uni-Select base salary for a NEO is generally slightly below the median of the Comparative Group in order to attribute more weight to the variable compensation and pension entitlement.

## 8.6 | DIRECT REMUNERATION – SHORT-TERM INCENTIVE PLAN

### **ANNUAL BONUS**

The Short-Term Incentive Plan is comprised of an annual bonus based on the level of achievement of:

- 1 financial indicators of the Corporation; and
- 2 specific or non-financial measures.

The Short-Term Incentive Plan aims to encourage the achievement of financial performance targets and equitably reward Senior Executives who distinguish themselves by their contribution. It ensures a balance between individual performance, financial performance and compensation and allows the compensation of the Senior Executives to vary according to the level of achievement of specific objectives.



Short-Term Incentive	RICHARD G. ROY			HENRY L. BUCKLEY			DENIS MATHIEU GARY O'CONNOR STEVEN J. ARNDT		
	Target Bonus %		Maximum Bonus %	Target Bonus %		Maximum Bonus %	Target Bonus %		Maximum Bonus %
	Financial Objective	Specific Objective		Financial Objective	Specific Objective		Financial Objective	Specific Objective	
Total Target and Maximum Bonus	80%	10%	150%	80%	10%	150%	50%	10%	100%
Deferral of Annual Bonus (DSUs)	Mandatory deferral of 30% (20% for executives hired prior to July 1, 2012) of Bonus Payout in DSUs until the minimum ownership described in the SOG is met								
Short-Term Incentive Plan Payout Grid (2014)	Target adjusted EPS <sup>1</sup> of 2.60 (excluding the impact of the exchange rate), 30% of additional EBT with executives when growth of adjusted EPS <sup>1</sup> is between 24.6% and 29.6% and 50% of additional EBT shared with executives when growth above 29.7% (subject to maximum described above)								
<b>Long-Term Incentives (as a % of base salary)</b>	-			-			-		
Stock Options (Vesting over 3 years – Term 7 years)	60%			-			32.5%		
Performance Share Units (Vesting: 3-year cliff-vesting)	60%			-			32.5%		
PSU Performance Measure	3-year Average Return on Shareholders' Equity								
Share Ownership Guideline (as a multiple of base salary)	3.0x			2.0x			1.5x		

<sup>1</sup> These adjustments include, among other things, costs related to the closure and disposal of stores, restructuring and other charges and the non-capitalizable costs related to the development and implementation of the ERP system.

<sup>2</sup> Mr. Buckley will be eligible in 2015 to stock options and Performance Share Units, each representing 50% of his base salary.

#### FINANCIAL OBJECTIVE BONUS

The bonus is based on the achievement of annual financial objectives and allows Senior Executives to participate in the financial success of the Corporation. Annually, the Board of Directors determines a scale and parameters of achievement which corresponds to a bonus determined as a percentage of base salary, as well as the maximum bonus amount that would be paid to each Senior Executive should the target be exceeded.

For 2014 financial performance was based on the level of achievement of the target adjusted earnings per share<sup>10</sup>, excluding the impact from exchange rate fluctuations (“Adjusted EPS”). Under the Short-Term Incentive Plan, a bonus based on the financial objective can only be paid if the target Adjusted EPS is met. This Plan is designed to provide Uni-Select’s Senior Executives with an incentive to increase the profitability and growth of the Corporation.

Under the 2014 Short-Term Incentive Plan, the Board of Directors set the minimum Adjusted EPS<sup>10</sup> at 9.7% higher than the previous year to allow a bonus payment based on the financial objective.

<sup>10</sup> These adjustments include, among other things, costs related to the closure and disposal of stores, restructuring and other charges and the non-capitalizable costs related to the development and implementation of the ERP system.

*SPECIFIC OBJECTIVES*

A second component of the bonus allocated to Senior Executives is based on the attainment of specific personal or divisional objectives, or non-financial measures. A specific objective may not be attained or may be partially or totally attained. The allocated bonus under the specific objectives component may vary from 0% of base salary to 10% of base salary depending on the nature of the specific objective, its impact on the Corporation, the operations on which the Senior Executive has an influence and any objective the Board wishes to promote.

**DEFERRED SHARE UNIT PLAN**

To align the interests of the Senior Executives with shareholder interests, the Committee adopted a policy in early 2013 that requires minimum levels of Share ownership, based on each Senior Executive’s position and salary. Until targeted ownership is reached as described in the SOG (refer to Section 8.3 *Summary of Executive Compensation Elements*), designated Senior Executives (“**Beneficiary**”) must elect to receive no less than a pre-determined percentage of the value of his short-term bonus in Deferred Share Units (“**DSUs**”) as provided under the Deferred Share Unit Plan (“**DSU Plan**”). The SOG shall not apply to the Senior Executives in the event of his or her retirement.

The DSU Plan is in force since January 1, 2013 for Senior Executives.

<b>VALUE OF SHORT-TERM BONUS AWARDED IN DSUs until such time as minimum holding requirements are met</b>	
<b>Senior Executives appointed prior to July 1, 2012</b>	<b>Senior Executives appointed on or after July 1, 2012</b>
No less than <b>20%</b> of the short-term bonus	No less than <b>30%</b> of the short-term bonus

<b>CALCULATION METHOD – NUMBER OF DSUs</b>	
$\frac{\text{Portion of short-term bonus for whichSenior Executive elects to be awarded DSUs}}{\text{DSU Value}^1} = \text{Number of DSUs}$	

<sup>1</sup> The DSU Value is equal to the average closing price at which the Shares were traded on the TSX for the five (5) trading days prior to the date of the meeting of the Board of Directors on which the short-term bonuses are approved.

If and when dividends in cash are paid on the Shares, Beneficiaries shall be credited with dividend equivalents in respect of DSUs granted as of the date each such dividend is paid by the Corporation. Such dividend equivalents shall be converted into additional DSUs (including fractional DSUs based on the DSU Value on the date each such dividend is paid).

#### DSU REDEMPTION

DSUs shall be redeemed by the Corporation:

- 1 as soon as practicable upon (i) termination of an officer, (ii) termination of the DSU Plan upon a change in control, (iii) termination of the DSU Plan with respect to all U.S. Senior Executives affected by such change in control;
- 2 within 90 days of the death of the Senior Executive; or
- 3 within the one-year period immediately following the retirement of a Senior Executive.

(Each such event is referred to as a “Redemption Event” and each such date is referred to as a “Redemption Date”.)

Only upon the occurrence of a Redemption Event, the Corporation shall remit an amount in cash equal to the DSU Value as at the Redemption Date of all, but not less than all, DSUs credited to the Senior Executive, less applicable taxes. The DSUs credited to the account of such Senior Executive shall not represent any right other than the right to receive the amount in cash and such DSUs will be automatically cancelled following the full payment of such amount.

## 8.7 | DIRECT REMUNERATION – LONG-TERM INCENTIVE PLAN

Uni-Select currently has three long-term incentive plans which are:

- 1 The Stock Option Plan;
- 2 The Deferred Performance Unit Program (“DPU Program”); and
- 3 The Performance Share Unit Plan (“PSU Plan”).

The DPU Program and the PSU Plan were in a transition period until the end of 2014. Under the DPU Program, the last Deferred Performance Units (“DPU”) were granted to Senior Executives for the 2012-2013-2014 period. This is the last three-year cycle for the DPU Program. The new PSU Plan is being used to grant Performance Share Units (“PSU”) to Senior Executives for three-year cycles starting for the 2013-2014-2015 period. At the end of 2014, this transition period terminated and the DPU Program was completely replaced by the PSU Plan and ceased to be in force.

Starting in 2013, the long-term incentives that used to be derived from the DPU Program for Senior Executives were transferred 50% into the Stock Option Plan and 50% into the PSU Plan.

### *STOCK OPTION PLAN*

The Stock Option Plan was first adopted and became effective as of September 30, 1985. It was thereafter amended several times, including at the Corporation's annual meeting of shareholders held on May 8, 2012.

The Stock Option Plan grants management employees and officers of the Corporation ("**Beneficiary**") options to purchase Shares directly from the Corporation.

**Options are granted to Senior Executives of the Corporation as an incentive to attract and retain individuals with experience and ability.**

### *STOCK OPTION PLAN PURPOSES*

- 1** To stimulate the productivity of management employees thus furthering the growth and development of the Corporation;
- 2** To assist the Corporation in retaining and attracting Senior Executives with experience and ability.

### *STOCK OPTION PLAN MANAGEMENT*

The Stock Option Plan is managed by the Board or the Committee. The Board or the Committee, as the case may be, has full and complete authority relating to the interpretation and the application of the Stock Option Plan, its provisions and purposes. It may adopt any measure it judges necessary or advisable for the management of the Stock Option Plan.

- The Board shall, from time to time, designate the Beneficiaries and the number of Shares to be covered by an option.
- All options granted must be in compliance with the requirements of the TSX.
- The number of Shares that may be issued pursuant to the exercise of options shall not exceed, subject to adjustments pursuant to the Stock Option Plan, 1,700,000 Shares, representing approximately 8% of all outstanding Shares as of the date hereof, or any higher number approved by a resolution of the Board of Directors subject to the amendment provisions of the Stock Option Plan (including shareholder approval).
- All Shares subject to options that have expired, without being exercised, shall be available for any subsequent options under the Stock Option Plan.
- A Beneficiary shall not hold options covering more than 5% of the outstanding Shares. The aggregate number of Shares issuable to insiders of the Corporation under the Stock Option Plan and any other security-based compensation arrangement of the Corporation, at any time, shall not exceed 10% of the total issued and outstanding Shares. Furthermore, the aggregate number of Shares issued to insiders of the Corporation, within any one year period, shall not exceed 10% of the total issued and outstanding Shares, while the maximum number of Shares that may be issued to any one insider under the Stock Option Plan and any other share compensation arrangement (within the meaning of the Option Plan) within a one-year period shall not exceed 5% of the number of Shares outstanding.

#### *STOCK OPTION PRICE*

The option price per share is equal to the average closing price at which the Shares were traded on the TSX for the five (5) trading days prior to the date of granting of the options.

#### *OPTIONS VESTING*

Options are vested by increments of 25% of the number of shares granted for each consecutive 12-month period, with the first period commencing on the date of the grant of the options.

Accelerated vesting is possible for a Beneficiary who has not exercised his option within the twelve (12) month period beginning on the date of his retirement at the retirement age (within the meaning ascribed to these terms in the Stock Option Plan). In that case, the exercisable period for all options held by such Beneficiary shall be accelerated and all options then held by the Beneficiary shall become fully vested and the rights thereto acquired by the Beneficiary on the first (1st) anniversary date of his retirement.

Also, a “cashless” mechanism allows for the Beneficiary to ask that the Corporation sell the Shares underlying his options on his behalf in order to retain an amount equal to the exercise price of the options and pay the difference to the Beneficiary, less any applicable withholding taxes.

#### *EXERCISABLE OPTIONS AND OPTIONS VESTING PERIOD*

The period during which an option is exercisable and the vesting of options shall be determined by the Board of Directors or the Committee but shall not, subject to the provisions of the Stock Option Plan, commence earlier than the date of granting of the option and shall not exceed seven (7) years.

If the term of an option expires during or within ten (10) business days after the expiration of a Blackout Period, then the term of such option or the unexercised portion thereof, shall be extended by ten (10) business days after the expiration of the Blackout Period. For the purposes of the Stock Option Plan, “Blackout Period” means any period during which a policy of the Corporation prevents a Beneficiary from exercising an option. No Option or any interest therein shall be assignable by the Beneficiary other than by will, the law of succession or estate settlement purposes.

Upon a Beneficiary’s employment with the Corporation being terminated for fraud or willful misconduct or neglect, the option period for options then outstanding and all the rights therefrom shall expire on the date of such dismissal.

Upon the termination of (other than for causes stated above) or upon voluntary departure or resignation of the Beneficiary from his employment with the Corporation, or any of its subsidiaries or a Corporation which is an affiliate of the Corporation within the meaning of the Securities Act (Québec), as the case may be, the option period for options then outstanding shall expire on the 90th day following such termination of employment, resignation or voluntary departure or on such later date as the Board of Directors or Committee may set (but no later than the expiry date first established by the Board of Directors or Committee).

If a Beneficiary retires from his employment at the Retirement Age (as defined in the Stock Option Plan), the option period for options then outstanding shall expire 14 months after the date of his retirement or on such later date as the Board of Directors or Committee may set (but no later than the expiry date first established by the Board of Directors or Committee).

Also, should a Beneficiary die, either before or after retirement, the option period for options then outstanding shall expire 12 months after the date of death (but no later than the expiry date first established by the Board of Directors or Committee).

Finally, unless the Board of Directors or the Committee decides otherwise, in the case of a Beneficiary with less than one (1) year of service within the Corporation at the date of the grant of the option, the option period shall begin no earlier than the first (1st) anniversary of the start of his employment, and if such employment terminates for any cause other than death prior to such first (1st) anniversary, the option period shall expire on the date of such termination of employment. The Beneficiary loses all rights under an option which is not exercised prior to the expiry date; he also loses his rights if the option period has not commenced prior to the date of his death or of the termination of his employment with the Corporation.

#### *STOCK OPTION PLAN AMENDMENT OR TERMINATION*

Subject to the prior approval of the TSX or any other regulatory body requiring similar approval, the Board of Directors may at any time and from time to time, amend, suspend or terminate the Stock Option Plan in whole or in part without the approval of the holders of the outstanding Shares (but subject to matters specifically requiring the approval of holders of the outstanding shares as described below), including amendments to:

- 1 The Stock Option Plan for any purpose, including (a) changing the terms on which options may be granted and exercised including, without limitation, the provisions relating to exercise price, vesting, expiry date, assignment and the adjustments to be made pursuant to the Stock Option Plan, provided the Board of Directors may not reduce the exercise price of options previously granted; (b) making any addition to, deletion from or alteration of the provisions of the Stock Option Plan that are necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange; (c) correcting or rectifying any ambiguity, defective provision, error or omission in the Stock Option Plan; and (d) changing the provisions relating to the administration of the Stock Option Plan, provided that no such amendment, suspension or termination of the Stock Option Plan by a decision of the Board may, without the consent of Beneficiaries to whom options shall theretofore have been granted, adversely affect the rights of such Beneficiaries; or
- 2 Any term of any outstanding option, provided that (a) any required approval of any regulatory authority or stock exchange is obtained; (b) if the amendments would reduce the determination of the exercise price for options not previously granted or extend the expiry date of options granted to insiders, other than as authorized pursuant to the Stock Option Plan, approval of the holders of a majority of the Shares present and voting in person or by proxy at a meeting of shareholders of the Corporation must be obtained; (c) the Board of Directors would have had the authority to initially grant the option under the terms as so amended; and (d) the consent or deemed consent of the Beneficiary of the option is obtained if the amendment would materially prejudice the rights of the Beneficiary of the option.

Notwithstanding the foregoing, the Board of Directors may not, without the approval of the holders of a majority of the Shares present and voting in person or by proxy at a meeting of shareholders of the Corporation, make amendments to the Stock Option Plan for any of the following purposes:

- 1 To materially increase the benefit accruing to Beneficiaries under the Stock Option Plan;
- 2 To modify the requirements as to eligibility for participation under the Stock Option Plan;
- 3 To increase the maximum number of Shares that may be issued pursuant to options granted under the Stock Option Plan;
- 4 To reduce the exercise price of options to less than the price established following the method provided for under the Stock Option Plan or to cancel and reissue options;
- 5 To reduce the exercise price of options for the benefit of an insider;
- 6 To extend the expiry date of options for the benefit of an insider;
- 7 To permit the introduction or reintroduction of non-employee directors on a discretionary basis or to increase limits previously imposed on non-employee director participation;
- 8 To increase the maximum number of Shares issuable pursuant to the Stock Option Plan;
- 9 To permit options granted under the Stock Option Plan to be transferable or assignable other than by will or the law of succession or estate settlement purposes; and
- 10 To amend the amendment provision of the Stock Option Plan.

#### ***DEFERRED PERFORMANCE UNIT PROGRAM***

Uni-Select's Senior Executives participated in the DPU Program. The DPU Program had been implemented to enable Senior Executives to participate in the long-term success of the Corporation and to encourage them to remain in the employment of the Corporation. The payout amount to participants was based on a mathematical formula which left no room for subjective attribution unless the Board decided otherwise. The DPU had no voting or profit-sharing attributes. The Senior Executives eligible under the DPU Program were those who had a direct influence on the long-term results of the Corporation and were appointed by the Board upon the recommendation of the Committee. The DPU Program had a strong correlation to the financial performance of the Corporation and aligned the compensation of the Senior Executive to such performance.

**The Deferred Performance Unit Program has been replaced by the Performance Share Unit Plan. The last units under the DPU Program were awarded in 2012. These units expired in 2014.**

Each participant to the DPU Program received a number of units that was function of his/her base salary and of his/her hierarchical level. There were 4 levels that determined the quantity of DPUs awarded and the range varied from 0.25 for key employees to 1.00 for the President and Chief Executive Officer.

DPU had a base value of \$100 (“**Base Value**”) increased or decreased by a scale governed by the actual return on average shareholder equity per cycle (“**Return on Average Shareholder Equity**” or “**RASE**”). Each consecutive and rotating cycle had a term of three years (“**Rolling Cycles**”) such that a new cycle began each year.

<b>RETURN ON AVERAGE SHAREHOLDER EQUITY (RASE)</b>		
Return on a 10-year Canadian issued government bond on the date the DPUs are granted by the Board.	<b>+</b>	<b>9%<sup>1</sup></b>

<sup>1</sup> That is the rate exceeding the rate of return of a guaranteed investment at the time the DPU Program was launched.

In 2014, the last year of the DPU Program (DPUs granted in 2012 for the 2012-2013-2014 period), the Board of Directors recommended aligning the financial objective to be achieved with the 2014 financial objective of the Corporation. Consequently, to allow a payment for the three-year cycle ending in 2014, the Board of Directors set the minimum Adjusted EPS<sup>11</sup> target (excluding the impact of the exchange rate) at no less than 9.7% higher than the previous year. In the event the Adjusted EPS recorded were greater than 9.7% higher than the previous year, payment of the DPUs was made in accordance with the scale.

Except in case of retirement or death, a participant to the DPU Program had no vested right to a payment before the expiry of each three-year cycle. Payment under the DPU Program was contingent upon a participant being an employee of the Corporation.

**PERFORMANCE SHARE UNIT PLAN**

The PSU Plan has been in force since January 1, 2013. The PSU Plan is in replacement of the DPU Program, as mentioned previously.

*PSU PLAN PURPOSE*

- 1** To encourage the retention of Senior Executives (a “**Beneficiary**”);
- 2** To provide alignment between performance compensation and the achievement of the strategic plan of the Corporation;
- 3** To provide Senior Executives with an incentive to create economic value for the shareholders of the Corporation; and
- 4** To align the interests of Senior Executives with those of the shareholders.

*PSU PLAN MANAGEMENT*

The PSU Plan is managed by the Board.

- The Beneficiaries of the PSU Plan are appointed by the Board, from time to time.
- The Board awards PSUs annually in the last quarter of the year for the 3 consecutive years to begin on January next (“**Performance Period**”).

**The Performance Share Unit Plan is a method of payment to Senior Executives if certain performance criteria are met. The value of these units fluctuates with the price of the Uni-Select shares on the market. They are redeemed at the end of each performance period which lasts 3 years.**

<sup>11</sup> These adjustments include, among other things, costs related to the closure and disposal of stores, restructuring and other charges and the non-capitalizable costs related to the development and implementation of the ERP system.



- The Board sets the performance objective applicable to the PSUs.
- The PSU does not confer any shareholder rights.

*ANNUAL PSU ATTRIBUTION*

CALCULATION METHOD – NUMBER OF PSUs		
Beneficiary base salary	<b>X</b>	Target percentage <sup>1</sup>
PSU value <sup>2</sup>		

<sup>1</sup> The Target Percentages for the NEOs are: Richard G. Roy 60% (68.5% for 2015), Henry L. Buckley N/A<sup>3</sup> (50% for 2015), Denis Mathieu, Gary O’Connor and Steven J. Arndt 32.5% (37.5% for 2015).

<sup>2</sup> Average closing price at which the Shares were traded on the TSX for the five (5) trading days prior to the date of the award of the PSUs.

<sup>3</sup> Mr. Buckley was named Chief Operating Officer effective September 8, 2014 and is eligible to the PSU Plan as of 2015.

*PERFORMANCE OBJECTIVE APPLICABLE TO THE PSUs*

The Board sets the performance objective (return on equity) applicable to the PSUs.

PERFORMANCE OBJECTIVE CALCULATION		
Market rate Canada Savings Bonds (10-year maturity) for the month of November immediately preceding the beginning of the Performance Period	<b>+</b>	<b>9%</b>

The percentage attributed to the Return on Equity obtained by the Corporation during the Performance Period applicable to each PSU (“**Performance Factor**”) represents 100% when the performance objective is met, a lesser percentage when the Corporation fails to meet the performance objective and exceeds 100% in the event the performance objective is exceeded.

*PSUs REDEMPTION*

PSUs are redeemed by the Corporation upon one of the following events (“**Redemption Event**”) and on the date described below (“**Redemption Date**”):

- 1 As soon as practicable upon (i) a change in control, (ii) termination of the PSU Plan with respect to all U.S. Participants affected by such change in control and the regulations thereunder, (iii) at the end of each Performance Period; or
- 2 Within 90 days of a Redemption Event described below that occurs no later than on July 1st on the plan year or 90 days following the end of a plan year if the Redemption Event occurs after July 1st: the disability of the Senior Executive becomes a total disability according to the rules provided under the applicable group insurance coverage of the Corporation, the death of a Senior Executive and the retirement date in the event of retirement of a Senior Executive.

Upon the occurrence of a Redemption Event and as of the Redemption Date, the Corporation shall remit or cause to be remitted to the Beneficiary (or his estate) an

amount in cash equal to: the applicable number of PSUs multiplied by the Performance Factor multiplied by the PSU Value at Redemption Date, less applicable withholding taxes.

If the Redemption Event occurs at any time other than on the last day of a plan year, the number of PSUs of the Beneficiary shall be prorated on the basis of (i) the number of completed plan years for each Performance Period and (ii) for uncompleted plan years, the sum of days from the beginning of the plan year to the Redemption Date divided by 365. Notwithstanding the foregoing, any benefit payable to a U.S. participant who is a specified employee shall be delayed and consistent with the requirements of Code Section 409A and the requirements thereunder, as may be necessary, except that in no event shall the payment of the benefit be delayed beyond the end of the calendar year following the year of retirement or termination.

Upon the occurrence of a Redemption Event, with respect to a particular Beneficiary, the PSUs credited to the account of such Beneficiary shall not represent any right other than the right to receive the amount in cash determined, and such PSUs will be automatically cancelled following the full payment of such amount. Save in the case of the occurrence of a Redemption Event, any PSU that is not vested because a Beneficiary is not an employee of the Corporation as of the Redemption Event is canceled. Upon termination, a Senior Executive loses the right to all unvested PSUs.

#### ***PSU PLAN AMENDMENT OR TERMINATION***

The PSU Plan may be amended or terminated (including without limitation to suspend or limit the right of a Senior Executive to elect to participate in the plan) at any time and from time to time by the Board provided that any such amendment or termination does not in any way infringe upon any rights of Senior Executives in respect of PSUs previously credited to the account of a Senior Executive. Where the PSU Plan is terminated, the PSUs will remain outstanding until a Redemption Event, unless a change in control has occurred and the Board determines, in good faith, in terminating the PSUs due to the change in control, it would not be appropriate for the PSUs to remain outstanding, and their termination should constitute a Redemption Event.

## **8.8 | INDIRECT REMUNERATION**

#### *PENSION PLAN*

The Corporation offers pension benefits to its Canadian employees through a basic registered pension plan (defined benefit pension plan), a registered pension plan for Senior Executives and a non-registered supplemental pension plan for certain Senior Executives.

<b>PENSION PLANS</b>	
<b>Senior Executives who joined the plan prior to July 1, 2012</b>	<b>Senior Executives who joined the plan on or after July 1, 2012</b>
<ul style="list-style-type: none"> <li>• Registered defined benefit pension plan</li> <li>• Non-registered defined benefit supplemental pension plan</li> </ul>	<ul style="list-style-type: none"> <li>• Registered defined contribution plan</li> <li>• Non-registered defined contribution plan</li> </ul>

The annual benefits payable under the defined benefit plans are based on the member's final average earnings at year end and on projected credited service; it is assumed, for purposes of determining the annual benefits payable at year end, that the member will satisfy the vesting conditions under the supplemental plan (i.e. the Senior Executives will have attained at least age 55 and completed at least 5 years of credited service at the time of his or her retirement). The assumptions used in preparing the information presented in the table at Section 9.7 are identical to those used for purposes of calculating the accrued obligation as at December 31, 2014 reflected in the audited financial statements for the year ending as at that date; these assumptions include a projected annual salary increase of 3.50% per annum and a discount rate of 4.05% per annum. Under the defined benefit pension plans applicable to Senior Executives who joined prior to July 1, 2012, each NEO may receive full pension benefits, without actuarial reduction, upon reaching the age of 60. Pension benefits presented in the table at Section 9.7 *Table of Value of the Pension Plan* include the aggregate of the benefits under the basic plan, the Senior Executives' registered plan and the supplemental plan.

In the event of a change of control of the Corporation, all benefits accrued to the beneficiaries of the plans mentioned above in respect of his or her year of credited service up to the date of a change of control become fully vested.

Employees that are based in the United States participate in a registered plan pursuant to the Internal Revenue Code commonly referred to as a 401(k) plan ("**401(k) Plan**"). The 401(k) Plan allows participants to save for retirement and defer income taxes on earnings until retirement. The Corporation matches 50% of each participant's contributions into the 401(k) Plan up to a maximum of 3% of base salary; the Senior Executives participate in a supplementary retirement plan for which the Corporation matches the executives' contributions up to a maximum of \$15,000 USD.

Designated Senior Executives of Uni-Select USA, Inc. and FinishMaster, Inc. are participating in the defined contribution non-qualified program providing for annual Corporation contributions equal to 10% of base salary, inclusive of any contributions made by the Corporation to any other Corporation-sponsored pension arrangements.

This excludes any Senior Executive registered in the defined benefit plans. To this effect, an additional layer was added to the Uni-Select USA, Inc. Deferred Compensation Plan ("**Deferred Compensation Plan**"), with the following main provisions:

- 1 As soon as practicable after the end of the plan year, a special Corporation contribution ("**SERP Contribution**") will be made to the second layer of the Deferred Compensation Plan on behalf of each covered executive. Such SERP Contribution will be equal to 10% of the Senior Executive's base salary for the plan year, less any Corporation contributions made on behalf of the executive during such period, under either the Uni-Select USA, Inc. 401(k) plan or the first (current) layer of the Deferred Compensation Plan.
- 2 As it is the case for any other Corporation contributions to the Deferred Compensation Plan, SERP Contributions will be credited to an hypothetical account established in the name of the executive and the account will be credited with investment earnings based on one or more of the hypothetical investment options available under the Plan, as selected by the executive from time to time.

- 3 Within 30 days of becoming eligible to participate in the SERP segment of the Plan, the executive may make an election to select the form of payment of the benefits to be paid upon retirement; the options offered will be a lump sum payment or the payment of the accumulated value of the SERP Contributions over a fixed period (five years or ten years).
- 4 Upon attainment of age 55, the accumulation of SERP Contributions will become fully vested; no vesting will be provided upon termination of employment before age 55, unless the termination is initiated by the Corporation.
- 5 In the event of death prior to full distribution of the vested benefit, the vested accumulation of SERP Contributions with investment earnings is payable in a lump sum to the designated beneficiary.
- 6 Upon a change of control of the Corporation, the accumulation of SERP Contributions with investment earnings becomes immediately vested to the executive.

#### *GROUP INSURANCE AND BENEFITS*

As with the Corporation's other employees, the Senior Executives benefit from personal insurance (medical<sup>12</sup>, dental, long-term disability insurance, life insurance, annual executive physical exam), privileges to purchase parts distributed by the Corporation for personal use and other benefits offered by the Corporation to its employees.

## **8.9 | PERFORMANCE ASSESSMENTS**

The Committee makes recommendations to the Board of Directors on the compensation for the Senior Executives of Uni-Select, submits to the Board the short-term and long-term incentive plan objectives, both financial and specific, and approves the evaluation submitted for the performance of each NEO. The Board is the final authority on compensation matters for the NEOs of Uni-Select and on policy changes related to compensation.

The President and Chief Executive Officer submits the objectives that he is expected to achieve and against which his performance is assessed by the Chair of the Board and, as part of the Executive Management Team, each NEO completes the same process with the President and Chief Executive Officer. All objectives are reviewed by the Committee and submitted to the Board for consideration.

The Chair of the Board conducts the assessment of the President and Chief Executive Officer who, in turn, assesses each NEO's individual performance against their respective objectives. The Chair and the President and Chief Executive Officer submit their assessments to the Committee which, in turn, submits recommendations to the Board for approval. The NEOs do not play a role in their compensation determination, other than discussing their individual performance against their predetermined objectives.

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<sup>12</sup> The medical plans in the USA were reviewed to comply with the health care reform regulations.

The Committee relies on quantifiable measures and its own judgment to compensate NEOs. The determination of the level of achievement of specific objectives that are not quantifiable requires the personal assessment by the members of the Committee; the Committee believes that solely using quantifiable measures will not allow an adequate evaluation of performance of a Senior Executive, and a more effective method would be to use both quantifiable objectives and objectives which require a personal evaluation. The Committee ensures that the overall compensation to the NEOs reflects the guiding principles listed earlier in this CD&A and remains aligned with the financial performance of the Corporation.

**All NEOs are assessed either by the President and CEO or the Chair of the Board. The Board is the final authority on compensation matters for the NEOs.**

## **8.10 | EMPLOYMENT CONTRACTS, TERMINATION AND CHANGE OF CONTROL BENEFITS**

Except for Mr. Buckley, NEOs of the Corporation do not have employment contracts.

The Corporation entered into agreements with the NEOs, to the exception of Mr. Buckley, that grant benefits in the event of a change of control<sup>13</sup> of the Corporation and the termination of employment<sup>14</sup> within eighteen (18) months following the change of control (“**Double Trigger Provision**”). No specific benefit applies in the case of a change of control of the Corporation without a termination of employment. These agreements will expire in February 2020 and include non-competition and non-solicitation (customers and employees) undertakings by the NEOs for a period of twenty four (24) months after termination along with confidentiality undertakings. The severance payment represents twenty four (24) months of the NEOs annual earnings (base salary, targeted short-term incentive plan, pension plan contribution and car allowance). Other benefits are available to the NEOs such as career transition program, financial planning services and health care coverage. Estimated payments<sup>15</sup> for the NEOs are: \$2,437,400 for Mr. Roy, \$1,279,070 for Mr. Mathieu, \$1,576,320 for Mr. Arndt and \$1,166,870 for Mr. O’Connor.

<sup>13</sup> A change of control means (i) acquisition by any person, entity or affiliated group of the issued and outstanding shares of the Corporation representing more than fifty percent (50%) of the total voting power represented by the Corporation’s then outstanding voting Shares, exclusive of an acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Corporation, (ii) the consummation of a merger or consolidation of the Corporation with any other entity, other than a merger or consolidation which would result in the voting Shares of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting Shares of the surviving entity) more than fifty percent (50%) of the total voting power represented by the voting Shares of the Corporation or surviving entity outstanding immediately after such merger or consolidation, (iii) the consummation of the sale, lease or other disposition by the Corporation of all or substantially all the Corporation’s assets, or (iv) shareholders of the Company take (or cause the Company to take) any action that results in a change of 50% or more of the directors on the Board of Directors (other than changes to the composition of the Board of Directors that occur as a result of retirements or resignations of board members in the ordinary course).

<sup>14</sup> In the event the NEO is terminated for cause, he will not benefit from the severance payment described in Section 8.10. If a change of control occurs and the NEO terminate his employment for “good reasons”, the severance payment will be payable. Good reasons mean any significant change to the terms of employment of the NEO (without his consent) which includes, without limitation, (i) assignment of any duties materially inconsistent with the NEO’s current duties, (ii) a reduction in annual base salary, (iii) discontinuance of any short-term or long-term incentive compensation plans that would have a significant impact on the NEO’s total target cash compensation and (iv) any reason that would be considered to amount to constructive dismissal by a Court of competent jurisdiction.

<sup>15</sup> As of February 28, 2015.

The Corporation signed an employment agreement with Mr. Buckley in July 2014. According to this agreement, in the event his employment is terminated by the Corporation, without cause, Mr. Buckley will receive severance payment representing eighteen (18) months of his global compensation (base salary, targeted short-term incentive plan, long-term incentive plan and car allowance). Also, in the event that either (i) the Corporation is subject to a change of control or (ii) Mr. Buckley is not promoted as Chief Executive Officer of the Corporation within a certain period, and that within twelve (12) months after either of these events, Mr. Buckley resigns from his employment, Mr. Buckley will receive severance payment representing eighteen (18) months of his global compensation. The agreement includes non-competition and non-solicitation (customers and employees) undertakings by Mr. Buckley for a period of twelve (12) months after termination along with confidentiality undertakings. Estimated payment<sup>16</sup> for Mr. Buckley is \$2,435,048.

In addition, the Stock Option Plan, the DSU Plan, the PSU Plan and the DPU Program each provide that options or units become immediately vested in case of a change of control of the Corporation. In addition, under the Pension Plans (section 8.8 *Indirect Remuneration*), all benefits accrued to the NEOs in respect of their years of credited service up to the date of a change of control become fully vested.

## 8.11 | COMPENSATION RISK

The Committee is of the opinion that the total compensation of the NEOs is balanced to avoid any potential risk that may result from taking actions to maximize compensation without regard for the risk assumed by the Corporation.

We believe the following measures impose appropriate limits to avoid excessive or inappropriate risk-taking or payments:

- 1 Compensation payments are capped to provide upper payout boundaries.
- 2 Milestones achieved must be maintained over a period of time prior to being paid or awarded. This achievement through vesting provisions is built into a long-term incentive plan.
- 3 Annual review of our long-term incentive plans' targets and milestones to ensure continued relevance and applicability.
- 4 Evaluation of variable compensation plan metrics to confirm balance of objectives between plan thereby mitigating, by design, excessive risk-taking.
- 5 Policies which limit the authority on expenditures. The Board has in place policies that limit the expenditures which can be made at different levels of the organization.

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<sup>16</sup> As of February 28, 2015.

## 8.12 | COMMITTEE REPORT

Following the Executive Compensation Structure Review achieved in 2012, the Committee submits that the compensation of the NEOs is appropriate given Uni-Select's size, the range of its activities and the return on shareholders' equity. The Committee is satisfied that the current executive compensation policies, programs and levels of compensation are correctly aligned with the Corporation's performance, shareholders' interests, and respect competitive market practices.

## 9 | SUMMARY COMPENSATION TABLE

### 9.1 | HIGHLIGHTS

The Corporation has:

- 1 Realized sales of US\$1.78 billion;
- 2 Increased earnings per share (EPS) to US\$2.36 from US\$1.00 or Adjusted EPS<sup>17</sup> to US\$2.60 from US\$2.37;
- 3 Decreased total net debt by US\$17.5 million from US\$277.7 to US\$260.2 million, including a reclassification of US\$44.5 million for convertible debentures following the announcement of their redemption in December 2014;
- 4 Increased adjusted (before restructuring charges) return on average total equity<sup>18</sup> to 10.9% from 9.8% last year.
- 5 Achieved cost savings of US\$15.7 million in 2014 under the Action Plan for a cumulative amount of US\$28.7 million since its inception on July 11, 2013. In 2014, the Action Plan included the following actions:
  - Opening of a regional distribution centre in Washington, DC in January 2014 and prepared the opening of another regional distribution centre in New England (January 2015);
  - Closure of 1 warehouse;
  - Closure of 3 stores and the sale of 1 store;
- 6 Opened a new national distribution centre located in the Toronto, Canada area;
- 7 Completed 6 acquisitions in paint and parts distribution; and
- 8 On February 9, 2015, the Corporation announced the signature of an agreement to sell substantially all of the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. for a cash consideration of US\$340 million, the whole subject to customary closing conditions.

<sup>17</sup> These adjustments include, among other things, costs related to the closure and disposal of stores, restructuring and other charges and the non-capitalizable costs related to the development and implementation of the ERP system.

<sup>18</sup> Corresponds to net earnings adjusted for restructuring and other charges as well as the non-recurring expenses related to the Action Plan and to the closure and disposal of stores, divided by average total equity.

## 9.2 | SUMMARY COMPENSATION TABLE

The following table<sup>1</sup> details the annual compensation to each of the NEOs with regards to 2012, 2013 and 2014. Information on compensation paid in previous years and other information filed with the Canadian provincial securities commissions on SEDAR may be reviewed on [sedar.com](http://sedar.com).

NAME AND PRINCIPAL POSITION	YEAR	SALARY	SHARE-BASED AWARDS <sup>2</sup>	OPTION-BASED AWARDS <sup>3</sup>	NON-EQUITY INCENTIVE PLAN COMPENSATION		PENSION VALUE	ALL OTHER COMPENSATION	TOTAL COMPENSATION
					Short-Term Annual Incentive Plan (paid in cash)	Long-Term Incentive Plan			
					(\$)	(\$)			
Richard G. Roy President and Chief Executive Officer	2014	545,749.00	53,900.00	566,169.00	215,600.00	198,765.00	220,600.00	24,062.00 <sup>4</sup>	1,824,845.00
	2013	533,000.00	133,119.00	591,190.00	532,476.00	-	220,200.00	240,255.00 <sup>4, 5</sup>	2,250,240.00
	2012	530,846.00	28,782.00	-	115,128.00	380,000.00	208,500.00	31,977.00 <sup>4</sup>	1,295,233.00
Denis Mathieu Executive Vice President, Corporate Services and Chief Financial Officer	2014	322,920.00	-	181,242.00	115,500.00	54,897.00	108,900.00	21,465.00 <sup>4</sup>	804,924.00
	2013	315,000.00	-	190,576.00	301,000.00	-	112,500.00	18,774.00 <sup>4</sup>	937,850.00
	2012	301,346.00	11,340.00	-	45,360.00	102,000.00	94,500.00	15,889.00 <sup>4</sup>	570,435.00
Henry L. Buckley Chief Operating Officer	2014	141,593.00	73,921.00	-	172,483.00	-	14,159.00	739,175.00 <sup>6</sup>	1,141,331.00
	2013	-	-	-	-	-	-	-	-
	2012	-	-	-	-	-	-	-	-
Steven J. Arndt <sup>7</sup> President and Chief Operating Officer, FinishMaster, Inc.	2014	312,186.00	60,876.00	148,156.00	284,312.00	-	27,616.00	11,655.00	844,800.00 <sup>8</sup>
	2013	255,514.00	63,635.00	151,252.00	148,482.00	-	25,551.00	13,097.00	657,531.00 <sup>8</sup>
	2012	195,064.00	-	-	107,988.00	-	7,499.00	2,400.00	312,951.00 <sup>8</sup>
Gary O'Connor President and Chief Operating Officer, Automotive Canada	2014	297,250.00	31,500.00	166,281.00	126,000.00	53,951.00	108,300.00	12,580.00	795,862.00
	2013	289,000.00	41,507.00	174,843.00	166,030.00	-	109,400.00	12,716.00	793,497.00
	2012	287,923.00	10,404.00	-	41,616.00	110,000.00	105,700.00	12,485.00	568,128.00

<sup>1</sup> This table describes the expense incurred for the Corporation in those years. In 2013 and 2014, this expense increased with respect to previous years due to the nature of the new long-term incentive plans (which include the Stock Option Plan) that need to be recognized on an accelerated basis pursuant to applicable accounting policies.

<sup>2</sup> The amounts included in this column represent the portion of the short-term bonus attributable to 2014 that is granted as DSUs at the time of the approval of such bonuses according to the DSU Plan and the Share Ownership Guidelines of the Corporation. Refer to 8.6 *Direct Remuneration – Short-Term Incentive Plan* for a detailed description of the DSU Plan.

<sup>3</sup> The fair value of the vested options was estimated at the award date in order to determine compensation expenses for the options by using the Trinomial pricing model according to the following hypotheses for the 2014/2013 years, respectively:

Expected Annual Dividend Yield 1.81%/1.6642%	Risk-free Rate 2.19%/1.6064%
Expected Annual Volatility 25.67%/25.39%	Expected Duration in Years 7/7

The fair value of the options for the period ended December 31, 2014 is \$6.62.

<sup>4</sup> Including payment of unused vacation over 2 weeks, if applicable, as per our Corporation Policy.

<sup>5</sup> The Board of Directors granted a discretionary bonus to Mr. Roy in the amount of \$214,105.00 based on the results achieved in the 2013 Strategic and Operational Action Plan (optimization and rightsizing of the distribution network).

<sup>6</sup> This amount includes a signing bonus as per the terms of Mr. Buckley's employment agreement.

<sup>7</sup> Mr. Arndt was promoted to President and Chief Operating Officer on December 31, 2012.

<sup>8</sup> USD converted into CAD using the exchange rate of 2014-1.10433, 2013-1.02998, 2012-0.99982, 2011-0.9891.



### 9.3 | SHORT-TERM BONUS RELATED TO FINANCIAL OBJECTIVES TABLE

In order for a short-term bonus based on the financial objective to be granted, Uni-Select's Board of Directors establishes a minimum threshold to be reached. For 2014, the minimum was to increase last year's Adjusted EPS by 9.7%.

NAME	TARGET BONUS		MAXIMUM BONUS	TARGET BONUS	MAXIMUM BONUS	PAYMENT
	Financial Objective	Specific Objective				
	%	%				
Richard G. Roy	80	10	150	495,000	825,000	269,500
Denis Mathieu	50	10	100	198,000	330,000	115,500
Henry L. Buckley	80	10	150	246,404	410,673	246,404
Steven J. Arndt	50	10	100	231,909	386,516	345,188
Gary O'Connor	50	10	100	180,000	300,000	157,500

TABLE OF SHORT-TERM BONUSES RELATED TO SPECIFIC OBJECTIVES

The specific objectives set for the NEOs at the beginning of 2014 were tied to the achievement of certain strategic and priority activities to the development of the Corporation. The objectives and weight attached are re-evaluated on an annual basis by the Human Resources and Compensation Committee. These objectives could include operational or HR objectives. Achievement of the specific objectives presents a meaningful challenge for the Corporation's senior management since the Corporation consistently sets ambitious goals.

The following is a summary of the 2014 operational and HR specific objectives:

- Operational Objectives:** Realize the turnaround plan of the U.S. operations. Lower the debt of the organization. Implement best practices and key performance targets by site. Develop, get approved and coordinate the implementation of the Network Optimization Plan to reduce overall operating costs and optimize inventory levels;
- Human Resources Objectives:** Establish a succession and integration plan for the upcoming retirement of our Key Managers to ensure timely replacement, including workforce planning.

### 9.4 | TABLE OF DEFERRED PERFORMANCE UNIT (DPU) PROGRAM

The NEOs participate in the DPU program and were awarded the following compensation on account of units held and were also awarded the performance units set out opposite their respective names.

NAME	UNITS AWARDED			AROE REACHED FOR PAYMENT			LEVEL ACHIEVED			PAYMENT		
	2010	2011	2012	2012	2013	2014	2012	2013	2014	2012	2013	2014
	#	#	#	%	%	%	\$	\$	\$	\$	\$	\$
Richard G. Roy	4,750	5,000	5,250	11.17	9.80	- <sup>1</sup>	80	0	37.86	380,000	-	198,765
Denis Mathieu	1,275	1,400	1,450	11.17	9.80	- <sup>1</sup>	80	0	37.86	102,000	-	54,897
Henry L. Buckley	-	-	-	-	-	-	-	-	-	-	-	-
Steven J. Arndt	-	-	-	-	-	-	-	-	-	-	-	-
Gary O'Connor	1,375	1,375	1,425	11.17	9.80	- <sup>1</sup>	80	0	37.86	110,000	-	53,951

<sup>1</sup> For 2014, the Board of Directors recommended aligning the financial objective to be achieved for the DPU Program with the 2014 financial objective of the Corporation. Consequently, to allow a payment for the three-year cycle ending in 2014, the Board set the minimum Adjusted EPS target (excluding the impact of the exchange rate) at \$2.60. The amount achieved in 2014 was \$2.66.

## 9.5 | EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth the compensation plan under which equity securities of the Corporation are authorized for issuance, being the Corporation's current purchase option plan, as at December 31, 2014:

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN A)
	A	B	C
Equity compensation plans approved by security holders	513,861	\$26.12	1,174,165
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>513,861</b>	<b>\$26.12</b>	<b>1,174,165</b>

The following table shows all awards outstanding for each NEO for the year ending December 31, 2014, notably those awarded before the end of the last period.

NAME	OPTION-BASED AWARDS				SHARE-BASED AWARDS		
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS <sup>1</sup>	OPTION EXERCISE PRICE	OPTION EXPIRATION	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS <sup>2</sup>	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED <sup>3</sup>	MARKET OR PAYOUT VALUE OF VESTED SHARE-BASED AWARDS NOT PAID OUT OR DISTRIBUTED
	(#)	(\$)	DATE	(\$)	(#)	(\$)	(\$)
Richard G. Roy	50,000	31.42	Jan. 1, 2018	-	5,894.55	180,373.23	-
	116,376 <sup>4</sup>	22.90	Jan. 1, 2020	896,095.20			
	85,524 <sup>5</sup>	28.76	Jan. 1, 2021	157,022.06			
Denis Mathieu	10,000	26.70	Dec. 12, 2020	39,000.00	493.63	15,105.08	-
	37,515 <sup>4</sup>	22.90	Jan. 1, 2020	288,865.50			
	27,378 <sup>5</sup>	28.76	Jan. 1, 2021	50,266.01			
Henry L. Buckley	-	-	-	-	-	-	-
Steven J. Arndt	29,774 <sup>4</sup>	22.90	Jan. 1, 2020	229,259.80	2,456.70	75,175.02	-
	22,380 <sup>5</sup>	28.76	Jan. 1, 2021	41,089.68			
Gary O'Connor	34,418 <sup>4</sup>	22.90	Jan. 1, 2020	265,018.60	1,900.19	58,145.81	-
	25,118 <sup>5</sup>	28.76	Jan. 1, 2021	46,116.65			

<sup>1</sup> Stock options held as at December 31, 2014.

<sup>2</sup> The value of unexercised in-the-money options as at December 31, 2014 is the difference between the closing price of the Shares on December 31, 2014 on the TSX (\$30.60) and the exercise price.

<sup>3</sup> Deferred Stock Unit held as at December 31, 2014 and shall be redeemed upon certain redemption events.

<sup>4</sup> 50% of these options were not vested on December 31, 2014.

<sup>5</sup> 75% of these options were not vested on December 31, 2014.

## 9.6 | INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

NAME	OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR	SHARE-BASED AWARDS – VALUE VESTED DURING THE YEAR	NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR
	\$	\$	\$
Richard G. Roy	171,654.60	-	215,600.00
Denis Mathieu	55,334.63	-	115,500.00
Henry L. Buckley	-	-	172,483.00
Steven J. Arndt	43,916.65	-	284,312.00
Gary O'Connor	50,766.55	-	126,000.00

## 9.7 | TABLE OF VALUE OF THE PENSION PLAN

The various pension plans available for Senior Executives are described in Section 8.8 *Indirect Remuneration – Pension Plan*.

The table below illustrates the costs and benefits payable at retirement for each Named Executive Officer:

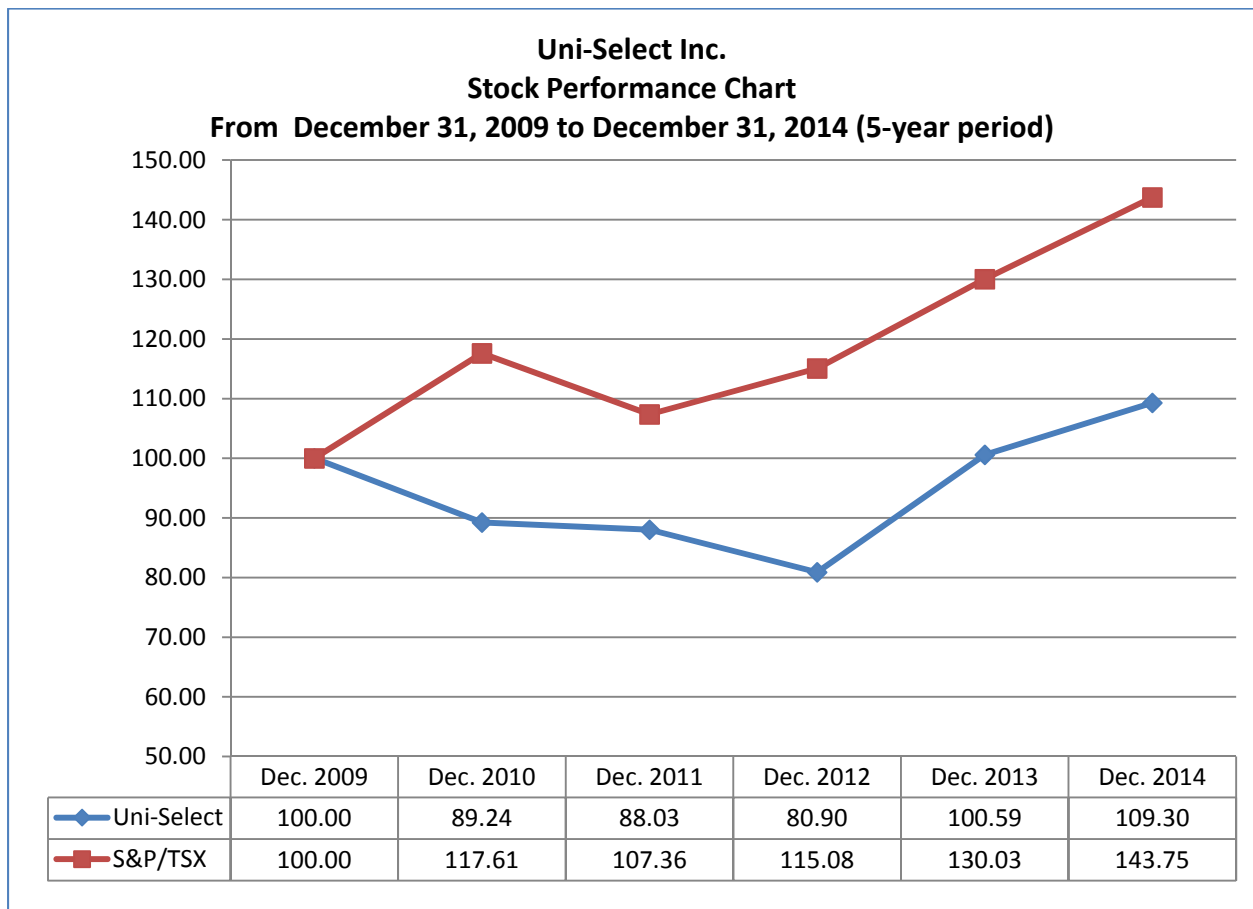
NAME	NUMBER OF YEARS OF CREDITED SERVICE AS AT DECEMBER 31, 2014		ANNUAL BENEFITS PAYABLE		OPENING PRESENT VALUE OF DEFINED BENEFIT OBLIGATION	COMPENSATORY CHANGE	NON- COMPENSATORY CHANGE	CLOSING PRESENT VALUE OF DEFINED BENEFIT OBLIGATION
	Registered Plans	Supplemental Plan	At year end	At age 65				
	Years	Years	\$	\$				
Richard G. Roy	16.00	14.41	225,500	248,600	3,012,600	220,600	576,600	3,809,800
Denis Mathieu	7.83	7.83	63,100	139,700	743,500	108,900	242,800	1,095,200
Henry L. Buckley <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Steven J. Arndt <sup>1</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gary O'Connor	9.00	9.00	69,000	108,800	866,200	108,300	197,000	1,171,500

<sup>1</sup> The Defined Benefit Pension Plan does not apply to Messrs. Buckley and Arndt.

## 10 | PERFORMANCE GRAPH

The graph below illustrates the annual percentage change in the Corporation's cumulative return on shareholders' equity on the stock of the Corporation in relation to the cumulative return of the S&P/TSX Index over a five-year period ended December 31, 2014.

The year-end valuation of each investment is based on the increase in share value, adjusted for cash dividends reinvested as at the date on which they were paid. These calculations do not account for brokerage fees or taxes. The total return on shareholders' equity for each investment, whether measured in dollars or as a percentage, may be calculated from the year-end values shown on the graph below.



Throughout the 2010 financial year, there was a marked difference between Uni-Select’s share price and the value of the reference index; whereas the index continued to make strong gains, Uni-Select’s share value continued to decrease until December 31, 2010. During 2011, the reference index decreased, whereas Uni-Select’s share price was stable. In the course of 2012, Uni-Select’s share price gained value for the first six months and declined from July to the end of the year due to difficult market conditions and lower performance, while the reference index made gains. In 2013, the Corporation improved its results accounting for the strong incline towards the end of the year which outpaced the index progression. In 2014, the index mostly progressed throughout the year, while Uni-Select’s share value remained aligned with the market incline recorded at the end of 2014.

The trend in the Corporation’s compensation to the NEOs has generally followed the trend in the performance graph. The NEOs short-term and long-term compensation incentives are principally based on financial measures. It should be noted that the NEOs in 2014 were not all the same as those in previous years. For this and other reasons, we cannot establish a direct relation between the evolution of the total direct compensation of the NEOs and the evolution of the price of shares between two specific points in time.

The total compensation of the NEOs increased in the course of 2014, mainly due to the award of a signing bonus to Mr. Buckley following his appointment to the newly-created position of Chief Operating Officer of Uni-Select Inc. In 2014, total compensation of the other NEOs was lower than in the previous year due to lesser share-based and option-based awards and the short-term portion of the non-equity incentive plan compensation.

As of February 28, 2015, Uni-Select's share price and value of the reference index were respectively, 146.99 and 150.29.

## 11 | ADDITIONAL INFORMATION

Unless otherwise indicated, the information contained herein is provided as at February 28, 2014. The Corporation is not aware of any matters that could be submitted at the Meeting other than those indicated in the Notice of Meeting. Should any unknown matters be properly submitted at the Meeting, the persons named in the form of proxy will vote on such matters according to their best judgment.

### 11.1 | AVAILABILITY OF ADDITIONAL DOCUMENTS

Uni-Select is a reporting issuer and is subject to securities legislation; accordingly, it must file its annual financial statements and management information circular. Uni-Select must also file an annual information form with the securities commissions. Financial information is provided in the Corporation's comparative annual financial statements and Management Report for its most recently completed financial year. Copies of this Management Information Circular, as well as the Corporation's latest Annual Information Form, Annual Report and Management Report for the year ended December 31, 2014, and its Quarterly Financial Statements produced after the latest Annual Financial Statements may be obtained from the Corporation's website, at no charge, at [uniselect.com](http://uniselect.com) or by mail from the Secretary at 170 Industriel Blvd., Boucherville, Québec, J4B 2X3.

Interested parties may also access Uni-Select's disclosure documents and any reports, statements or other information filed with the Canadian provincial securities commissions on SEDAR at [sedar.com](http://sedar.com).

### 11.2 | SHAREHOLDERS PROPOSALS FOR THE 2015 ANNUAL MEETING

Shareholder proposals for the meeting held for the purposes of receiving the 2015 year-end financial statements and other matters must be received by December 26, 2015.

## 12 | APPROVAL OF THE DIRECTORS

The Directors of the Corporation have approved the contents and the sending of this Management Information Circular.



Me Louis Juneau  
Vice President, Legal Affairs and Secretary  
Boucherville, Québec

March 16, 2015

## SCHEDULE A – INFORMATION CONCERNING GOVERNANCE

### *BOARD OF DIRECTORS*

The Board of Directors is comprised of 9 directors until the annual meeting: Robert Chevrier, the Chair of the Board, James E. Buzzard, André Courville, Patricia Curadeau-Grou, Jean Dulac, John A. Hanna, Richard L. Keister, Richard G. Roy and Dennis M. Welvaert. The Board of Directors estimates that a number of directors between nine and twelve allows the Board to adequately carry out its obligations.

The Board of Directors regularly schedules meetings of the Board at which non-independent directors and members of Management are not in attendance. In 2014, the independent directors held six (6) meetings in the absence of non-independent directors and members of Management.

The Chair of the Board is responsible for effectively managing the affairs of the Board in accordance with corporate governance principles. For a more detailed description of the role and responsibilities of the Chair of the Board see the Position Description of the Chair of the Board available on Uni-Select's website at [uniselect.com](http://uniselect.com) or, upon request to the Secretary of the Corporation.

### *BOARD MANDATE*

The Board of Directors adopted a Board of Directors' Charter in order to identify the specific responsibilities of the Board of Directors and thereby to enhance coordination and communication between the Board and Management. A copy of the Board of Directors' Charter is attached hereto as Schedule "B".

### *POSITION DESCRIPTIONS*

The Board of Directors has developed Charters for each of the committees of the Board, as well as respective position descriptions for the Chair of the Board, for the committee chairs and for the President and Chief Executive Officer. A copy of the committee Charters and Position Descriptions are available on Uni Select's website at [uniselect.com](http://uniselect.com) or, upon request to the Secretary of the Corporation.

### *ORIENTATION AND CONTINUING EDUCATION*

The Board ensures that all new directors receive a comprehensive orientation regarding the nature and operation of the Corporation's business. Management provides new directors with a general information record on the Corporation and the new directors are given the opportunity to meet with executive management and operational personnel and to visit the Corporation's distribution centres and other facilities.

New directors are also provided with a basic understanding of the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Corporation expects from its directors) in order to assist the new directors in contributing effectively to the Board.

The Board also ensures that the directors receive continuing education on a regular basis. Management or independent consultants give presentations to the Board of Directors on various topics and update the Board on governance initiatives and issues. In addition, the Board makes continuing education activities and programs available to the directors, such as membership to the Institute of Corporate Directors, in order to maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Corporation's business remains current.

#### *ETHICAL BUSINESS CONDUCT*

The responsibilities identified in the Board of Directors' Charter are to be carried out consistently with the principles stated in the Corporation's Code of Ethics that applies to all of the Corporation's directors, officers and employees. A copy of the Code of Ethics is available on Uni Select's website at [uniselect.com](http://uniselect.com) or, upon request to the Secretary of the Corporation.

Yearly, each director delivers to the Secretary a list of the companies for which he/she acts as director or in which he/she has a material ownership interest. In the event a director has a material interest in a transaction, he/she discloses this interest to the Board and is excused from the meeting until the Chair invites him/her to return to the meeting. In any event, the director involved abstains from the discussions and the vote.

#### *HUMAN RESOURCES AND COMPENSATION COMMITTEE*

The Human Resources and Compensation Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities relating to matters of human resources and compensation and to establish a succession plan and development of Senior Executives. The committee has the responsibility for evaluating and making recommendations to the Board regarding the compensation of the Corporation's executives and the short and long-term compensation plans, policies and programs of the Corporation. In addition, the committee produces an annual report on executive compensation for inclusion where appropriate in the Corporation's information circular.

The Human Resources and Compensation Committee is composed of Patricia Curadeau-Grou (Chair), James E. Buzzard, Jean Dulac, Richard L. Keister and Dennis M. Welvaert.

A more detailed description of the role and responsibilities of the Human Resources and Compensation Committee and the Human Resources and Compensation Committee Charter are available on Uni-Select's website at [uniselect.com](http://uniselect.com) or, upon request to the Secretary of the Corporation.

#### *AUDIT COMMITTEE*

Information regarding the Corporation's Audit Committee is provided in Item 12 of the Corporation's Annual Information Form for 2014, which is incorporated herein by reference. A copy of the Annual Information Form is available, at no cost, on SEDAR at [sedar.com](http://sedar.com) or, upon request to the Secretary of Uni-Select.

The Audit Committee is composed of John A. Hanna (Chair), André Courville and Patricia Curadeau-Grou.

The Audit Committee Charter is available as Schedule C of the Annual Information Form, on Uni-Select's website at [uniselect.com](http://uniselect.com) or, upon request to the Secretary of the Corporation.

## CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities in overseeing the implementation of corporate governance rules, procedures and policies as well as compliance therewith, in particular by establishing and reviewing the functions of the Board and its committees, and those of the Chair of the Board. It also periodically reviews the selection and succession criteria and procedures for directors. Furthermore, it ensures that a process is set up to assess the performance and effectiveness of the Board, the committees and their members. It establishes criteria for, and annually implements, an evaluation process for the Board, the Board Chair, each committee of the Board and the individual directors in order to assess their effectiveness and contribution and recommends steps which may be taken to improve effectiveness. Such assessment takes into consideration, in the case of the Board or a Board committee, its charter and, in the case of an individual director, the competencies and skills each individual director is expected to bring to the Board. Each of the Board, the Board Chair, the committees of the Board and the individual directors then conduct an annual performance self-evaluation including a review of their compliance with their Charter or Position Description, in accordance with the process developed by the Corporate Governance Committee and approved by the Board, and reports to the Board the results of the self-evaluation. The committee also ensures that full and complete disclosure of the Corporation's systems of corporate governance is made, where appropriate, in the Corporation's disclosure documents.

The Corporate Governance Committee is composed of Robert Chevrier (Chair), James E. Buzzard, John A. Hanna, Richard L. Keister and Dennis M. Welvaert.

For a more detailed description of the role and responsibilities of the Corporate Governance Committee, see the Corporate Governance Committee Charter available on Uni-Select's website at [uniselect.com](http://uniselect.com) or, upon request to the Secretary of the Corporation.



## SCHEDULE B – BOARD OF DIRECTORS’ CHARTER

### INTRODUCTION

This Charter is intended to identify the specific responsibilities of the Board of Directors and thereby to enhance coordination and communication between the Board and management. The responsibilities identified here are to be carried out consistently with the principles stated in the Corporation’s Code of Ethics. This Charter complements the Charters of the committees of the Board, as well as the respective position descriptions for the Chair of the Board, for the committee chairs and for the President and Chief Executive Officer.

### PART I. BOARD STRUCTURE

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#### 1. COMPOSITION OF THE BOARD

A majority of directors comprising the Board must qualify as independent. As a general objective, the Board will ensure itself that it is composed of directors with diverse backgrounds and personal characteristics and traits as well as competencies and expertise that add value to the Corporation and that each director will serve the Board to best discharge its responsibilities.

#### 2. ELECTION AND APPOINTMENT OF DIRECTORS

Nominees for directors are initially considered and recommended by the Corporate Governance Committee, approved by the entire Board and elected annually by the shareholders of the Corporation.

### PART II. BOARD OPERATIONS

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#### 1. CHAIR OF THE BOARD

The Board shall appoint annually a chair from the independent members of the Board.

The Chair of the Board is charged with the responsibility of overseeing the efficient operation of the Board and its committees and ensuring that the Board’s agenda will enable it to successfully carry out its duties. The principal duties of the Chair shall be set out in the position description developed by the Board and shall include running the affairs of the Board efficiently and in accordance with corporate governance principles and properly evaluating the effectiveness of the committee structures and the quality of management’s work that is presented in support of the decision-making process of the Board. The Chair may also serve as a member of a committee of the Board.

#### 2. SECRETARY OF COMMITTEE

The Chair of the Board shall designate from time to time a person who may, but need not be, a director, to be secretary of the Board. The secretary shall keep minutes of the meetings of the Board and circulate them to the Board.

**3. REGULAR MEETINGS**

Regularly scheduled meetings of the Board at which non-independent directors and members of management are not in attendance shall be held at such time or times as the Board or the Chair of the Board may determine to discuss matters of interest.

**4. SPECIAL MEETINGS**

Special meetings of the Board may be called by, or by the order of the Chair, the President and Chief Executive Officer or any two directors.

**5. QUORUM**

A majority of the directors present in person or by means of telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other shall constitute a quorum.

**6. AGENDA**

The Chair shall develop and set the Board's agenda in consultation with the other directors and the secretary. The agenda and information concerning the business to be conducted at the Board meetings shall, to the extent practical, be communicated to the directors sufficiently in advance of each meeting to permit meaningful review. Each Board meeting agenda shall include a period of discussion between directors in the absence of management and non-independent directors.

**7. DELEGATION**

The Board shall have the power to delegate certain of its responsibilities to committees of the Board, as it considers appropriate. The responsibilities of those committees will be as set forth in their Charters, as amended from time to time. In addition, the Board may appoint ad hoc committees as may be needed from time to time to address other issues. The Board shall develop a position description for the chairs of the committees.

**8. OUTSIDE CONSULTANTS OR ADVISORS**

At the Corporation's expense, the Board and its committees may retain, when they consider it necessary or desirable, outside consultants or advisors to advise the Board or the committees independently on any matter. The Board and its committees shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to review a consultant's or advisor's fees and other retention terms. The Board has determined that any director who wishes to engage an outside advisor at the expense of the Corporation may do so if he or she first obtains authorization of the Chair.

## **PART III. DUTIES AND RESPONSIBILITIES**

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### **1. PRIMARY RESPONSIBILITY AND PLENARY AUTHORITY**

The Board is responsible for the stewardship of the Corporation including responsibility for satisfying itself as to the integrity of the President and Chief Executive Officer and other executive officers and that the President and Chief Executive Officer and other executive officers create a culture of integrity throughout the Corporation. The primary responsibility of the Board is to supervise the management of the Corporation so as to foster the long-term success of the Corporation consistent with the Board's responsibility to the shareholders to maximize shareholder value. The Board has plenary power. Any responsibility not delegated to management or a committee of the Board remains with the Board.

### **2. OPERATIONS OF THE BOARD**

The Board operates by delegating certain of its authority, including spending authorizations, to management and by reserving certain powers to itself. The general legal obligations of the Board are described in detail under Section 12 of this Part III. Subject to these legal obligations and to the Articles and By-laws of the Corporation, the Board retains the responsibility for managing its own affairs, including:

- a) planning its composition and size;
- b) selecting its Chair;
- c) nominating candidates for election to the Board upon the recommendation of the Corporate Governance Committee;
- d) determining whether each director is an independent director;
- e) appointing committees of the Board and membership of directors thereon and approving their respective mandates and the limits of authority delegated to each committee;
- f) together with the Human Resources and Compensation Committee and the Corporate Governance Committee, determining director compensation;
- g) assessing, through the Corporate Governance Committee, the effectiveness of the Board, its committees and its directors in fulfilling their responsibilities;
- h) establishing through the Corporate Governance Committee an appropriate system of corporate governance including guidelines and practices to ensure the Board functions independently of management.

### **3. ESTABLISHMENT AND REVIEW OF BOARD MEMBER CHARACTERISTICS**

Prior to nominating or appointing individuals as directors, the Board shall:

- a) together with the Board Chair, monitor the size and composition of the Board and its committees to ensure effective decision-making;

- b) consider the appropriate skills and competencies required of the Board as a whole, taking into consideration the Board's short-term needs and long-term succession plans and assess what competencies and skills each existing director possesses; and
- c) develop, and annually update, a long-term plan for the Board's composition that takes into consideration the characteristics of independence, age, skills, experience and availability of service to the Corporation of its members, as well as the opportunities, risks and strategic direction of the Corporation.

In carrying out each of these functions, the Board should consider the advice and input of the Corporate Governance Committee.

#### **4. MANAGEMENT AND HUMAN RESOURCES**

Upon the recommendations of the Human Resources and Compensation Committee, the Board has the responsibility to:

- a) appoint the President and Chief Executive Officer, and provide advice and counsel to the President and Chief Executive Officer in the execution of his/her duties;
- b) develop the position description for the President and Chief Executive Officer and develop or approve the corporate goals and objectives he/she is responsible for meeting;
- c) evaluate the President and Chief Executive Officer's performance at least annually against agreed upon written objectives and determine and approve the President's and Chief Executive Officer's compensation level based on this evaluation;
- d) approve a comprehensive statement of compensation philosophy, strategy and principles for the Corporation's executives;
- e) approve certain decisions relating to senior management, including the:
  - i) appointment and discharge of executive officers;
  - ii) compensation and benefits for executive officers;
  - iii) employment, consulting, retirement and severance agreements, and other special arrangements proposed for executive officers; and
  - iv) annual corporate and business unit performance objectives utilized in determining incentive compensation or other awards to officers;
- f) ensure that succession planning and management development programs are in place, including:
  - i) approving the succession plan for the President and Chief Executive Officer;

- ii) in the case of other senior managers, ensuring that plans are in place for management succession and development; and
- iii) monitoring senior management;
- g) ensure that criteria and processes for recognition, promotion, development and appointment of senior management are consistent with the future leadership requirements of the Corporation;
- h) create opportunities to become acquainted with employees within the Corporation who have the potential to become members of senior management, including presentations to the Board by these employees or any form of interaction with them; and
- i) approve certain matters relating to all employees, including:
  - i) the annual salary and incentive policies/programs for employees;
  - ii) new benefit programs or material changes to existing programs;
  - iii) material changes in the Corporation's retirement plans; and
  - iv) material benefits granted to retiring employees outside of benefits received under approved retirement and other benefit programs.

## 5. STRATEGY AND PLANS

The Board has the responsibility to:

- a) adopt a strategic planning process and participate with management in the development of, and ultimately approve on at least an annual basis, the Corporation's strategic plan which takes into account, among other things, the future trends, opportunities and risks of the business over a three to seven-year horizon;
- b) approve annual capital and operating budgets that support the Corporation's ability to meet its strategic objectives and operating plans;
- c) approve the entering into, or withdrawing from, lines of business that are, or are likely to be, material to the Corporation;
- d) approve financial and operating objectives used in determining compensation if they are different from the strategic, capital or operating plans referred to above;
- e) approve material divestitures and acquisitions;
- f) monitor the Corporation's progress towards its strategic objectives, and revise and alter its direction through management in light of changing circumstances; and
- g) review recent developments that may affect the Corporation's strategy, and advise management on emerging trends and issues.

## **6. FINANCIAL AND CORPORATE ISSUES**

The Board has the responsibility to:

- a) take reasonable steps to ensure, through the Audit Committee, the integrity and effectiveness of the Corporation's internal controls and management information systems, including the evaluation and assessment of information provided by management and others (e.g., internal and external auditors) about the integrity and effectiveness of the Corporation's internal controls and management information systems;
- b) review operating and financial performance relative to budgets and objectives;
- c) approve annual financial statements and quarterly financial results and approve their release by management;
- d) declare dividends;
- e) approve financings, changes in authorized capital, issue and repurchase of shares, issue of debt securities, listing of shares and other securities, issue of commercial paper and related prospectuses and trust indentures;
- f) approve appointment of external auditors and approve auditors' fees upon the recommendation of the Audit Committee;
- g) approve banking resolutions and significant changes in banking relationships;
- h) review and consider for approval all amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy which diverge from the ordinary course of business;
- i) approve significant contracts, transactions and other arrangements or commitments that may be expected to have a material impact on the Corporation; and
- j) approve the commencement or settlement of litigation that may be expected to have a material impact on the Corporation.

## **7. BUSINESS AND RISK MANAGEMENT**

The Board has the responsibility to:

- a) identify the principal risks of the Corporation's business and ensure that management implements appropriate systems to manage these risks;
- b) review coverage, deductibles and key issues regarding corporate insurance policies;
- c) review compliance with legislative and regulatory requirements, and adopting and monitoring compliance with the Code of Ethics; and

- d) understand the principal risks associated with the Corporation's business and review whether the Corporation achieves a proper balance between risk and returns.

## **8. POLICIES AND PROCEDURES**

The Board has the responsibility to:

- a) develop the Corporation's system of an overall approach to corporate governance. The Board may delegate to the Corporate Governance Committee responsibility to review and make recommendations to the Board regarding the content and implementation of corporate governance guidelines and other related governance matters and processes;
- b) review compliance with the significant policies and procedures by which the Corporation is operated and approve any waivers of the practice for officers and directors;
- c) ensure that management operates at all times within applicable laws and regulations; and
- d) review significant new corporate policies or material amendments to existing policies (including, for example, policies regarding business conduct and conflicts of interest).

## **9. DIRECTOR ORIENTATION AND EDUCATION**

New directors shall receive a comprehensive orientation. New directors shall be provided with a basic understanding of the Corporation's business, the role of the Board and its Committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Corporation expects from its directors) in order to assist such directors in contributing effectively to the Board.

All new directors should understand the nature and operation of the Corporation's business and as such, management will provide new directors with a general information record on the Corporation, the opportunity to meet with Executive Management and operational personnel and the opportunity to visit the Corporation's warehouses and other facilities.

On a regular basis, management or independent consultants will give presentations on various topics to the Board of Directors and updates on governance initiatives and issues.

The Board shall undertake or arrange for such continuing director education activities and programs as it deems advisable in order to maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Corporation's business remains current.

## 10. COMPLIANCE REPORTING AND CORPORATE COMMUNICATIONS

The Board has the responsibility to:

- a) ensure that the Corporation has in place effective communication processes with shareholders and other stakeholders and with financial, regulatory and other institutions and agencies;
- b) ensure that the Corporation has in place effective measures for receiving feedback from security holders such as establishing a process to permit security holders to directly contact the independent directors;
- c) approve interaction with shareholders on all items requiring shareholder approval;
- d) approve the content of the Corporation's major communications to shareholders and the investing public, including the quarterly reports, Annual Report, Management's Report, Management Proxy Circular, Annual Information Form and any prospectuses that may be issued, and any significant information respecting the Corporation contained in any documents incorporated by reference in any such documents;
- e) take reasonable steps to ensure that the financial performance of the Corporation is accurately and fairly reported to shareholders, other security holders and regulators on a timely and regular basis, and in accordance with generally accepted accounting principles;
- f) ensure the timely reporting of any other developments that have a material impact on the Corporation;
- g) report annually to shareholders on the Board's stewardship for the preceding year (the Annual Report); and
- h) review and amend when required the Corporate Disclosure Policy of the Corporation.

## 11. PENSION FUNDS MATTERS

Through the Audit Committee consider and, in accordance with regulatory requirements:

- a) monitor the Corporation's pension plans having to do with financial matters after consultation with the Human Resources and Compensation Committee and the Audit Committee in respect of any effect such a change may have on pension benefits;
- b) recommend changes when a financial risk is identified;
- c) recommend the appointment and termination of investment managers with respect to the Corporation's pension plans; and
- d) receive and review the actuarial valuation and funding requirements for the Corporation's pension plans.



## 12. GENERAL LEGAL OBLIGATIONS

- a) The Board has the responsibility to:
  - i) ensure that management meets all legal requirements, and properly prepares, approves and maintains documents and records;
  - ii) approve changes in the By-laws and Articles of Incorporation, matters requiring shareholder approval and agendas for shareholder meetings; and
  - iii) approve the Corporation's legal structure, mission statement and vision statement.
- b) The following are legal requirements of the Board:
  - i) to manage the affairs of the Corporation;
  - ii) to act with honesty and loyalty in the interests of the Corporation; and
  - iii) to act with prudence and diligence.

## 13. EXPECTATIONS AND RESPONSIBILITIES OF DIRECTORS

Directors oversee the management of the business and affairs of the Corporation.

Directors must attend all Board and relevant committee meetings; read all Board and committee materials received in advance of meetings; discuss concerns and seek appropriate information directly from management as needed; seek advice from independent advisors (at the Corporation's expense with the prior authorization of the Chair) as deemed necessary, and participate actively, freely and openly in all meetings and discussions.

Directors shall avail themselves of corporate orientation programs and continuing education opportunities as the Board or the Corporate Governance Committee determine from time to time.

### a) Fiduciary Duty and Confidentiality

When exercising their powers and discharging their duties, directors must act with honesty and loyalty in the interests of the Corporation. Directors are thus fiduciaries vis-a-vis the Corporation and, as such, they must advance the interests of the Corporation in an impartial and disinterested manner. In particular, directors must not allow personal or business interests to conflict with the interests of the Corporation. Directors must not use their position, and information and knowledge derived from their position, for their personal gain or advantage. Directors are also subject to a duty of confidence regarding the affairs of the Corporation. Directors should not disclose or provide to others access to confidential information about the Corporation.

b) Standard of Care

When exercising their powers and discharging their duties, directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. This standard requires directors to devote the necessary time and attention to the affairs of the Corporation and its subsidiaries, make necessary enquiries of management and others so as to make informed decisions, and make use of their education and experience.

c) Position Qualifications

Each director must:

- i) be an individual of at least 18 years of age, of sound mind, and not have the status of a bankrupt. A majority of the directors must be independent;
- ii) be financially literate; have relevant and practical business experience; have an understanding of the strategic planning process; have an understanding of human resource development, and have such competencies as determined by the Corporate Governance Committee from time to time;
- iii) have a high degree of personal and professional integrity and operate within the ethical framework set out in the Corporation's Code of Ethics; and
- iv) have time available to adequately perform duties and responsibilities as a Board member and not be involved in activities which conflict with the Corporation's business.

Directors are elected annually by the shareholders. The Corporate Governance Committee has the responsibility to recommend to the Board who will stand each year for election or re-election by the shareholders.

#### 14. EVALUATION OF THE BOARD

Regularly, the Board and its members will assess the effectiveness of the Board and its committees, including the operation of the Board, the Board structure, the adequacy of information provided to directors and the effectiveness of the Chair in managing the meetings of the Board and the strategic direction of the Corporation. Such assessments shall consider the charter of the Board and its committees.

The Board or the Corporate Governance Committee shall also assess, on a regular basis, the performance and contribution of each director on a variety of topics including, strategic insight, participation and accountability, in order to provide them with constructive feedback to help them improve their performance. In making its assessment, the Board or the Corporate Governance Committee shall consider the applicable position description, as well as the competencies and skills each individual director is expected to bring to the Board. The Board or the Corporate Governance Committee will share with the committees responsible for corporate behaviour and governance matters the results of this evaluation and discussion.

**15. REVIEW OF BOARD CHARTER**

The Board shall assess the adequacy of this Charter annually and shall make any changes deemed necessary or appropriate.

**16. NON-EXHAUSTIVE LIST**

The foregoing list of duties is not exhaustive, and the Board may, in addition, perform such other functions as may be necessary or appropriate in the circumstances for the performance of its responsibilities.