



CHESSWOOD GROUP LIMITED

MAJORITY VOTING POLICY

The board of directors (the “**Board**”) of Chesswood Group Limited (the “**Corporation**”) believes that each director should have the confidence and support of the shareholders of the Corporation (each a “**Shareholder**”). To this end, the Board has unanimously adopted this policy providing for majority voting in director elections at any meeting of Shareholders where an “uncontested election” of directors is held. For the purposes of this policy, an “uncontested election” of directors of the Corporation means an election where the number of nominees for directors is equal to the number of directors to be elected. Future nominees for election to the Board will be required to confirm that they will abide by this policy.

Forms of proxy for the election of directors of the Corporation will permit a Shareholder to vote in favour of, or to withhold from voting, separately for each director nominee. The Chair of the Board will ensure that the number of shares voting in favour or withheld from voting for each director nominee is recorded and promptly made public after the meeting. If the vote was conducted by a show of hands, the Corporation will disclose the number of shares voted by proxy in favour or withheld for each director.

If a director nominee has more votes withheld than are voted in favour of him or her (an “**MJP Subject Director**”), the nominee will be considered by the Board not to have received the support of the Shareholders, even though duly elected as a matter of corporate law. Such a nominee will be expected to forthwith submit his or her resignation to the Board, effective on acceptance by the Board. The Board will refer the resignation to the Audit and Governance Committee of the Board (the “**Committee**”) for consideration.

The Committee will consider whether or not to accept the offer of resignation and will recommend to the Board whether or not to accept it. With the exception of special circumstances that would warrant the continued service of the applicable director on the Board, the Committee will be expected to accept and recommend acceptance of the resignation by the Board. In considering whether or not to accept the resignation of an MJP Subject Director, the Committee will consider all factors deemed relevant by members of the Committee including, without limitation, the stated reasons why Shareholders withheld votes from the election of that director, the composition of the Board, the length of service and the qualifications of that director, that director’s contributions to the Corporation and the Corporation’s governance guidelines.

Within 90 days following the applicable meeting of the Shareholders, the Board will determine whether to accept or reject the director resignation offer that has been submitted, taking into account the recommendation of the Committee. In considering the Committee’s recommendation, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers to be relevant. Following the Board’s decision on the resignation, the Board will promptly disclose, via press release, its decision whether to accept the MJP Subject Director’s resignation offer, including, without limitation, the

reasons for rejecting the resignation offer, if applicable. If a resignation is accepted, the Board may, subject to any applicable corporate law restrictions, (1) leave a vacancy on the Board unfilled until the next annual meeting of Shareholders, (2) fill the vacancy by appointing a new director whom the Board considers to merit the confidence of the Shareholders, or (3) call a special meeting of Shareholders to consider new Board nominee(s) to fill the vacant position(s).

An MJP Subject Director who tenders his or her resignation pursuant to this policy will not be permitted to participate in any meeting of the Board or any meeting of the Committee (if he or she is a member of the Committee), as applicable, at which his or her resignation is to be considered. However, if each member of the Committee is, or a sufficient number of Committee members are, MJP Subject Directors such that the Committee no longer has a quorum, then the remaining members of the Committee, if any, will not consider the resignation offer(s) and the Board will consider whether or not to accept the offer of resignation without a recommendation from the Committee.

If a sufficient number of the Board members are MJP Subject Directors such that the Board no longer has a quorum (without including MJP Subject Directors), then all MJP Subject Directors will not be permitted to vote in any meeting of the Board at which his or her resignation offer is considered, however he or she will be counted for the purpose of determining whether the Board has quorum.

If any MJP Subject Director does not tender his or her resignation in accordance with this policy, he or she will not be re-nominated by the Board for election as a director of the Corporation.

The Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this policy.