

**SYD FINANCIAL INC.**

1288 Steeple Drive  
Coquitlam, British Columbia V3E 1K2

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON OCTOBER 11, 2017**

**AND**

**INFORMATION CIRCULAR**

*September 8, 2017*

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisors.*

**SYD FINANCIAL INC.**  
1288 Steeple Drive  
Coquitlam BC V3E1K2  
Telephone: (604) 786-7774

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING**

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of Syd Financial Inc. (the “**Company**”) will be held at Suite 900, 885 West Georgia Street, Vancouver, BC, on Wednesday, October 11, 2017, at the hour of 10:00 AM (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended March 31, 2017 and March 31, 2016, and the accompanying report of the auditors;
2. to set the number of directors of the Company for the ensuing year at three persons;
3. to ratify the appointment of Keith Anderson, Blair Naughty and Joseph Meager as directors of the Company for the financial years ended March 31, 2017 and 2016;
4. to elect Keith Anderson, Blair Naughty and Spencer Smyl as directors of the Company to hold office until the next annual general meeting of the Company, or until such time as their successors are duly elected or appointed in accordance with the Company’s constating documents;
5. to ratify and approve the appointment of Auditors for 2016 and their remuneration;
6. to ratify and approve the appointment of Auditors for 2017 and their remuneration;
7. to appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending March 31, 2018 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending March 31, 2018; and
8. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company’s board of directors has fixed **September 1, 2017** as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, or by fax within North America to 1-866-249-7775 and outside North America to (416) 263-9524 not later than 10:00 a.m. (local time) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Alberta) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the "**Intermediary**"), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 8th day of September, 2017.

By Order of the Board of Directors of

**SYD FINANCIAL INC.**

*"Keith Anderson"*

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Keith Anderson  
President, Chief Executive Officer,  
Secretary and Director

**SYD FINANCIAL INC.**  
1288 Steeple Drive  
Coquitlam BC V3E1K2  
Telephone: (604) 786-7774

**INFORMATION CIRCULAR**  
**September 8, 2017**

**INTRODUCTION**

This information circular ("**Information Circular**") accompanies the notice of annual general and special meeting (the "**Notice**") and is furnished to shareholders (the "**Shareholders**" and each a "**Shareholder**") holding common shares (the "**Shares**" and each a "**Share**") in the capital of Syd Financial Inc. (the "**Company**") in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the "**Meeting**") of the Shareholders to be held at 10:00 AM (Vancouver time) on Wednesday, October 11, 2017 at Suite 900, 885 West Georgia Street, Vancouver, BC, or at any adjournment or postponement thereof.

**Date and Currency**

The date of this Information Circular is September 8, 2017. Unless otherwise stated, all amounts herein are in Canadian dollars.

**PROXIES AND VOTING RIGHTS**

**Management Solicitation**

The solicitation of proxies by management of the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Share that such Shareholder holds on the record date of September 1, 2017 (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”) at their offices located at 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, by mail or by fax within North America to 1-866-249-7775 and outside North America to (416) 263-9524 not later than 10:00 a.m. (local time) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of Alberta) before the time and date of the Meeting or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Transfer Agent at their offices located at 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (a) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (b) submission of a subsequent proxy in accordance with the

foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

### **Voting of Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the Shares represented will be voted or withheld from the vote on that matter accordingly. **The Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Shares on any matter, the Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators or self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements set out in National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Company has distributed copies of the Notice, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service

companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with the Transfer Agent as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of a one page pre-printed form, the proxy authorization will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit a Non-Registered Holder to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the Designated Persons named in the form and insert the Non-Registered Holder’s name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

There are two kinds of beneficial owners – those who object to their name being made known to the issuers of securities which they own (called OBOs for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called NOBOs for Non-Objecting Beneficial Owners). Pursuant to NI 54-101, issuers can obtain a list of their NOBOs from Intermediaries for distribution of proxy-related materials directly to NOBOs.

**These Meeting Materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf.**

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Shares and preferred shares ("Preferred Shares") without par value. As of the Record Date, a total of 2,158,365 Shares were issued and outstanding and Nil Preferred Shares issued and outstanding. Each Share carries the right to one vote at the Meeting. Only registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% of the voting rights attached to the outstanding Shares of the Company.

## **NUMBER OF DIRECTORS**

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at three. The number of directors will be approved if the affirmative vote of the majority of Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour of setting the number of directors at three.

**Management recommends the approval of the resolution to set the number of directors of the Company for the ensuing year at three.**

## **ELECTION OF DIRECTORS**

At present, the directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, or until their successors are duly elected or appointed in accordance with the Company's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the board of directors (the "**Board**").

Management of the Company proposes to nominate the persons named in the table below for election by the Shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:



Name, Province, Country of Residence and Position(s) with the Company	Principal Occupation, Business or Employment for Last Five Years	Periods during which Nominee has Served as a Director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
Keith Anderson <sup>(2)</sup> BC, Canada President, Chief Executive Officer, Secretary and Director	Businessman. Former Investment Advisor at Canaccord Genuity Corp. Director of Liberty Leaf Holdings Ltd. since June 16, 2012 and director of Lightning Ventures Inc. since June 27, 2017, both are listed the CSE.	February 18, 2015	277,740
Blair Naughty <sup>(2)</sup> BC, Canada Director	Businessman with over 25 years of experience in the securities industry. Privately developed and launched numerous e-commerce websites through Naughty Capital Ltd. Director of Fandom Sports Media Corp., a company listed on the CSE.	July 15, 2015	270,450 <sup>(3)</sup>
Spencer Smyl <sup>(4)</sup> Proposed Director	Investment Analyst. Director of Spearmint Resources Inc. from November 18, 2016, a mineral exploration company listed on the TSX-V. Director of YDreams Global Interactive Technologies Inc., since April 25, 2017, a technology company listed on the TSX-V. Director of Jinhua Capital Corp. since June 20, 2017, a mineral exploration company listed on the NEX. Director of Makena Resources Inc. since December 22, 2016, a mineral exploration company listed on the TSX-V.	N/A	Nil

<sup>(1)</sup> Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at September 8, 2017, based upon information furnished to the Company by the individual directors and on SEDI.

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

<sup>(3)</sup> Includes 15,000 common shares held indirectly through Canal Front Investments Inc.

<sup>(4)</sup> Proposed member of the Audit Committee

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

#### *Cease Trade Orders*

No proposed director of the Company is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

- (b) was subject to (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

### *Bankruptcies*

No proposed director of the Company is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

### *Penalties and Sanctions*

No proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Statement of Executive Compensation:

**“compensation securities”** includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

**“external management company”** includes a subsidiary, affiliate or associate of the external management company;

**“named executive officer”** or **“NEO”** means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the Company and its subsidiaries (if any), the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons; and

“**underlying securities**” means any securities issuable on conversion, exchange or exercise of compensation securities.

## **Director and NEO Compensation**

### *Table of Compensation Excluding Compensation Securities*

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company or any subsidiary thereof to each NEO and director in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company or any subsidiary thereof.

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Keith Anderson <sup>(1)</sup> BC, Canada President, Chief Executive Officer, Secretary and Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Blair Naughty <sup>(2)</sup> BC, Canada Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Spencer Smyl <sup>(3)</sup> Proposed Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> Keith Anderson was appointed as Chief Executive Officer, President, Secretary and a director of the Company on February 18, 2015.

<sup>(2)</sup> Blair Naughty was appointed as a director of the Company on July 15, 2015.

<sup>(3)</sup> Spencer Smyl is a proposed director of the Company.

Other than as set forth in the foregoing, no NEO of the Company has received, during the most recently completed financial year, compensation pursuant to:

- a. any standard arrangement for the compensation of NEOs for their services in their capacity as NEOs, including any additional amounts payable for committee participation or special assignments;
- b. any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of NEOs in their capacity as NEOs; or
- c. any arrangement for the compensation of NEOs for services as consultants or expert.

#### Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company or any subsidiary thereof in the year ended March 31, 2015 for services provided, or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class <sup>(1)</sup>	Date of Issue or Grant	Issue, Conversion or Exercise Price (\$)	Closing Price of Security or Underlying Security on Date of Grant	Closing Price of Security or Underlying Security at Year End	Expiry Date
Keith Anderson <sup>(1)</sup> BC, Canada President, Chief Executive Officer, Secretary and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Blair Naughty <sup>(2)</sup> BC, Canada Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Joseph Meagher <sup>(3)</sup> Chief Financial Officer and Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> Keith Anderson was appointed as Chief Executive Officer, President, Secretary and a director of the Company on February 18, 2015.

<sup>(2)</sup> Blair Naughty was appointed as a director of the Company on July 15, 2015 .

<sup>(3)</sup> Joseph Meagher was appointed as a director of the Company on July 15, 2015 and he is not standing for re-election at the Meeting

#### *Exercise of Compensation Securities by Directors and NEOs*

No director or NEO exercised any compensation securities during the years ended March 31, 2016 and March 31, 2017.

#### **Stock Option Plans and Other Incentive Plans**

The Company does not have a incentive stock option plan (the “**Plan**”) in place and is proposing to implement one in the year ended March 31, 2018.

Executive officers of the Company, as well as directors, employees and consultants, will be eligible to participate in the Company’s Plan. Individual stock options will be granted by the Board as a whole and the amounts of the option grants are dependent on, among other things, each officer’s level of responsibility, authority and importance to the Company and the degree to which such officer’s long term contribution to the Company will be crucial to its long-term success.

Stock options may be granted by the Board when an executive officer or employee first joins the Company, based on their level of responsibility within the Company. Additional grants may be made

periodically to ensure that the number of options granted to any particular individual is commensurate with their level of ongoing responsibility within the Company. The Board will also evaluate the number of options an individual has been granted, the exercise price of the options and the term remaining on those options when considering further grants. The Board will specify the exercise price to be paid for Shares upon the exercise of stock options granted under the Plan. Subject to a minimum price of \$0.10 per Share and the price per Share paid by investors in a public distribution by prospectus within 90 days of a stock option grant, the exercise price of a stock option may not be less than the closing market price of the Shares on the trading day immediately preceding the date of grant of the option, less any applicable discount allowed by the Canadian Securities Exchange (the "CSE"). The maximum term of options pursuant to the Plan is five years from the date of grant.

Pursuant to the policies of the CSE, stock options may be granted outside of the Plan. Shareholder approval of the Plan is not required pursuant to the policies of the CSE.

### **Employment, Consulting and Management Agreements**

The Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors.

### **Oversight and Description of Director and NEO Compensation**

The objectives of the Company's compensation policies and procedures are to align the interests of the Company's directors and NEOs with the interests of the Shareholders. The Company intends to rely on Board discussion without a formal agenda for objectives, criteria and analysis, when determining compensation for the Company's directors and NEOs. Compensation is not tied to performance criteria or goals such as milestones, agreements or transactions, and the Company does not use a "peer group" to determine compensation.

At present the Board does not have a Compensation Committee or a Nominating Committee. As such, all tasks related to developing and monitoring the Company's approach with respect to the compensation of the directors and officers of the Company and to developing and monitoring the Company's approach to the nomination of directors to the Board are performed by the members of the Board. Compensation for the Company's directors and NEOs is reviewed, recommended and approved by the Board as a whole, including the independent directors. The Company may form a Compensation Committee which will oversee compensation matters and may also form a Nomination Committee to oversee the nomination of directors in the future.

### **Pension Disclosure**

The Company does not have any pension arrangements in place for its directors or NEOs.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets forth details of the Company's equity compensation plans as of March 31, 2017.

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

A copy of the Plan is available at the office of the Company at Suite 1288 Steeple Drive, Coquitlam, BC V3E1K2 during regular business hours up to and including the date of the Meeting.

**RATIFICATION OF APPOINTMENT OF DIRECTORS  
FOR THE FISCAL YEARS ENDED MARCH 31, 2017 AND 2016**

Keith Anderson, Blair Naughty and Joseph Meagher served as directors of the Company during the years ended March 31, 2017 and 2016. The Company did not hold a shareholders' meeting to elect or ratify the appointment of its directors for the years ended March 31, 2017 and March 31, 2016. Please see the disclosure set out under the heading "Election of Directors" for information related to the directors who served as such during the 2017 and 2016 fiscal years.

**Management recommends that shareholders vote in favor of the ratification of the appointment of the directors who served in such capacity during the 2017 and 2016 fiscal years.**

**APPOINTMENT OF AUDITOR**

At the Meeting, Shareholders will be asked to vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants as auditor of the Company and to authorize the directors of the Company to fix the auditor's remuneration. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants were first appointed as the auditor of the Company on June 20, 2017.

**Management recommends Shareholders vote for the appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants as the auditor of the Company and authorizing the directors of the Company to fix the auditor's remuneration.**

**RATIFICATION OF APPOINTMENT OF AUDITOR  
FOR THE YEAR ENDED MARCH 31, 2017**

The Company appointed Dale Matheson Carr-Hilton Labonte LLP, as auditor of the Company for the year ended March 31, 2017 and determined the remuneration thereof. As the Company did not hold a

shareholders' meeting to appoint the auditor for the 2017 fiscal year, the Board recommends that you vote for the ratification of the appointment of Dale Matheson Carr-Hilton Labonte LLP, who served as the Company's auditor during the year ended March 31, 2017 and the ratification of the remuneration paid to the auditor as determined by the Company's board of directors.

**Management recommends that shareholders vote in favor of the ratification of the appointment of Dale Matheson Carr-Hilton Labonte LLP as the Company's auditors for its 2017 fiscal year and the remuneration paid by the Company as determined by the Company's board of directors.**

#### **RATIFICATION OF APPOINTMENT OF AUDITOR FOR THE YEAR ENDED MARCH 31, 2016**

The Company appointed Smythe LLP, as auditor of the Company for the year ended March 31, 2016 and determined the remuneration thereof. As the Company did not hold a shareholders' meeting to appoint the auditor for the 2016 fiscal year, the Board recommends that you vote for the ratification of the appointment of Smythe LLP, who served as the Company's auditor during the year ended March 31, 2017 and the ratification of the remuneration paid to the auditor as determined by the Company's board of directors.

**Management recommends that shareholders vote in favor of the ratification of the appointment of Smythe LLP as the Company's auditors for its 2016 fiscal year and the remuneration paid by the Company as determined by the Company's board of directors.**

#### **AUDIT COMMITTEE DISCLOSURE**

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

##### **The Audit Committee Charter**

The Company's Audit Committee Charter was adopted by the Board on September 8, 2017. A copy of the Company's Audit Committee Charter is attached to this Information Circular as Appendix A.

##### **Composition of the Audit Committee**

The Company's Audit Committee is currently comprised of three directors consisting of Keith Anderson, Blair Naughty and Joseph Meagher. As defined in NI 52-110, Keith Anderson, the Company's Chief Executive Officer, President and Secretary is not "independent" as he is an executive officer of the Company. Joseph Meagher, the Company's Chief Financial Officer, Secretary is not "independent" as he is an executive officer of the Company. Blair Naughty is independent. Management is proposing that the Audit Committee be comprised of Keith Anderson, Blair Naughty and Spencer Smyl for the fiscal year ending March 31, 2018. Mr. Naughty and Mr. Smyl would be independent.

The Company is exempt from the Audit Committee composition requirements in NI 52-110 which require all Audit Committee members to be independent. All of the Audit Committee members are "financially literate", as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.



The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right, at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The audit committee members meet periodically with management and annually with the external auditors.

### **Relevant Education and Experience**

Each member of the Company's present Audit Committee has adequate education and experience that is relevant to his or her performance as an Audit Committee member and, in particular the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

#### Keith Anderson

Mr. Anderson was a Investment Advisor for many years and he has years of experience with numerous public companies which has given him significant exposure to the preparation and review of financial statements.

#### Blair Naughty

Mr. Naughty is a businessman with over 25 years of experience in the securities industry. He has privately developed and launched numerous e-commerce websites through Naughty Capital Ltd. He is currently a director of Fandom Sports Media Corp., a company listed on the CSE. Mr. Naughty's years of experience with public companies has given him significant exposure to the preparation and review of financial statements.

#### Spencer Smyl

Mr. Smyl graduated from the University of British Columbia in Political Science. He is an investment analyst and he has been actively involved in both the private and public sectors, working for the Senate of Canada, business development in the health and wellness industry, and in venture capital. Mr. Smyl has extensive experience in project research, policy development, strategic communications, and stakeholder relations. Mr. Smyl's business experience has given him significant exposure to the preparation and review of financial statements.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

Since the commencement of the Company's financial year ended March 31, 2017, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 (*De Minimis Non-audit Services*) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 (*Exemptions*) permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110 in whole or in part.

### **Pre-Approval Policies and Procedures**

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. However, the Company's Audit Committee Charter provides that the Audit Committee will pre-approve all non-audit services to be provided by the auditor to the Company or its subsidiaries. The text of the Audit Committee Charter is attached to this Information Circular as Appendix A.

### **External Auditor Service Fees**

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

The aggregate fees billed by the Company's external auditors in the financial years ended March 31, 2017 and 2016 with respect to the Company, by category, are as follows:

<b>Financial Year Ended March 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2017	\$7,700	Nil	Nil	Nil
2016	\$1,500	Nil	Nil	Nil

### **Exemption**

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No the Company's knowledge, no current director, executive officer, employee, or proposed nominee for election as a director, or associate of such person is, or at any time during the most recently completed financial year has been, indebted to the Company.

No indebtedness of a current director, executive officer, employee, or proposed nominee for election as a director, or associate of such person to another entity is, or at any time during the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

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

No (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, directly or indirectly, Shares or who exercises control or direction of Shares, or a combination of both carrying more than ten percent of the voting rights attached to the Shares outstanding (an “**Insider**”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of the Company’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company, except with an interest arising from the ownership of Shares where such person will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of Shares.

### **MANAGEMENT CONTRACTS**

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

### **CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

#### **Composition of the Board**

Management of the Company proposes to nominate Keith Anderson, Blair Naughty and Spencer Smyl for election by the Shareholders as directors of the Company. NP 58-201 suggests that the board of directors of a public company should be constituted of a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management

and is free from any interest and any business or other relationship which could, or could reasonably be expected to, interfere with the exercise of the director’s independent judgment.

Blair Naughty and Spencer Smyl are considered by the Board to be “independent” within the meaning of NI 58-101. Keith Anderson is an executive officer of the Company and accordingly is considered to be “non-independent”.

**Board Mandate**

The Board plans to meet for formal board meetings on an as needed basis to review and discuss the Company’s business activities and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management will informally provide updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company’s affairs.

The Board will facilitate the exercise of independent supervision over management through these various meetings. At present, the Board does not have any formal committees other than its Audit Committee.

When necessary, the Board will strike a special committee of independent directors to deal with matters requiring independence. The composition of the Board is such that the independent directors have experience in business affairs and, as a result, these directors are able to provide independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his or her fiduciary obligations as a director of the Company, disclose the nature and extent of the interest to the other directors and abstain from voting on any matter in which the conflicted director has declared an interest.

**Directorships**

The following directors are presently directors of other reporting issuers as set out below:

<b>Name of Director</b>	<b>Name of Reporting Issuer</b>	<b>Market</b>
Keith Anderson	Liberty Leaf Holdings Ltd.	CSE
	Lightning Ventures Inc.	CSE
Blair Naughty	Fandom Sports Media Corp.	CSE
Spencer Smyl	Makena Resources Inc.	TSX Venture Exchange
	Spearmint Resources Inc.	TSX Venture Exchange
	YDreams Global Interactive Technologies Inc.	TSX Venture Exchange
	Jinhua Capital Corporation	NEX

### **Orientation and Continuing Education**

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

### **Ethical Business Conduct**

The Board has not adopted a formal code of ethics. The Audit Committee assists the Board in fulfilling its oversight responsibilities with respect to:

- (a) the financial reporting process and the quality, transparency and integrity of the financial statements and other related public disclosures;
- (b) internal controls over financial reporting;
- (c) compliance with legal and regulatory requirements relevant to the financial statements and financial reporting; and
- (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel.

### **Nomination of Directors**

The entire Board is involved in nomination of new candidates for Board positions. Board members are asked for recommendations of people that they know of or have heard of that would contribute to the success of the Company if added to the Board.

### **Compensation**

The Board does not have a Compensation Committee. All tasks related to developing and monitoring the Company's approach with respect to the compensation of directors and officers of the Company are performed by the members of the Board. The compensation of the directors and NEOs is reviewed, recommended and approved by the Board as a whole, including the independent directors.

### **Board Committees**

The Board has no committees other than the Audit Committee. See "Audit Committee Disclosure."

### **Assessments**

Any committee of the Board and individual directors will be assessed on an ongoing basis by the Board. The Board has not, as of yet, adopted formal procedures for assessing the effectiveness of the Board, its committees or individual directors.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial

year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of Shares or other securities in the Company or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its office by mail at Suite 1288 Steeple Drive, Coquitlam, BC V3E1K2, to request copies of the Company's financial statements and related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the Company's audited financial statements and MD&A for the years ended March 31, 2017 and 2016.

#### **OTHER MATTERS**

Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

#### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved and the delivery of it to each Shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

DATED at Vancouver, British Columbia, this 8th day of September, 2017.

By Order of the Board of Directors of

**SYD FINANCIAL INC.**

*"Keith Anderson"*

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Keith Anderson  
President, Chief Executive Officer,  
Secretary and Director

**APPENDIX A**  
**AUDIT COMMITTEE CHARTER**

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board of Directors in lieu thereof (the “**Audit Committee**”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

**1. Composition**

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the “**Chair**”) to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

**2. Meetings**

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company’s auditors (the “**Auditors**”) will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

**3. Roles and Responsibilities**

The roles and responsibilities of the Audit Committee include the following:

## External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company's accounts, controls and financial statements.
- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board of Directors.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

## Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (h) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (i) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (j) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (k) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

## Risk Management, Internal Controls and Information Systems

The Audit Committee will:



- (l) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (m) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (n) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (o) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the consolidated financial statements.
- (p) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### Complaints

- (q) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (r) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **4. Authority**

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

#### **5. Reporting**

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;

- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.