WAJAX CORPORATION

ANNUAL INFORMATION FORM

For the Year Ended December 31, 2018

March 21, 2019

TABLE OF CONTENTS

ANNUAL INFORMATION FORM

In this Annual Information Form, unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and statistical and financial data are presented as of December 31, 2018.

CORPORATE STRUCTURE

Name, Address and Incorporation

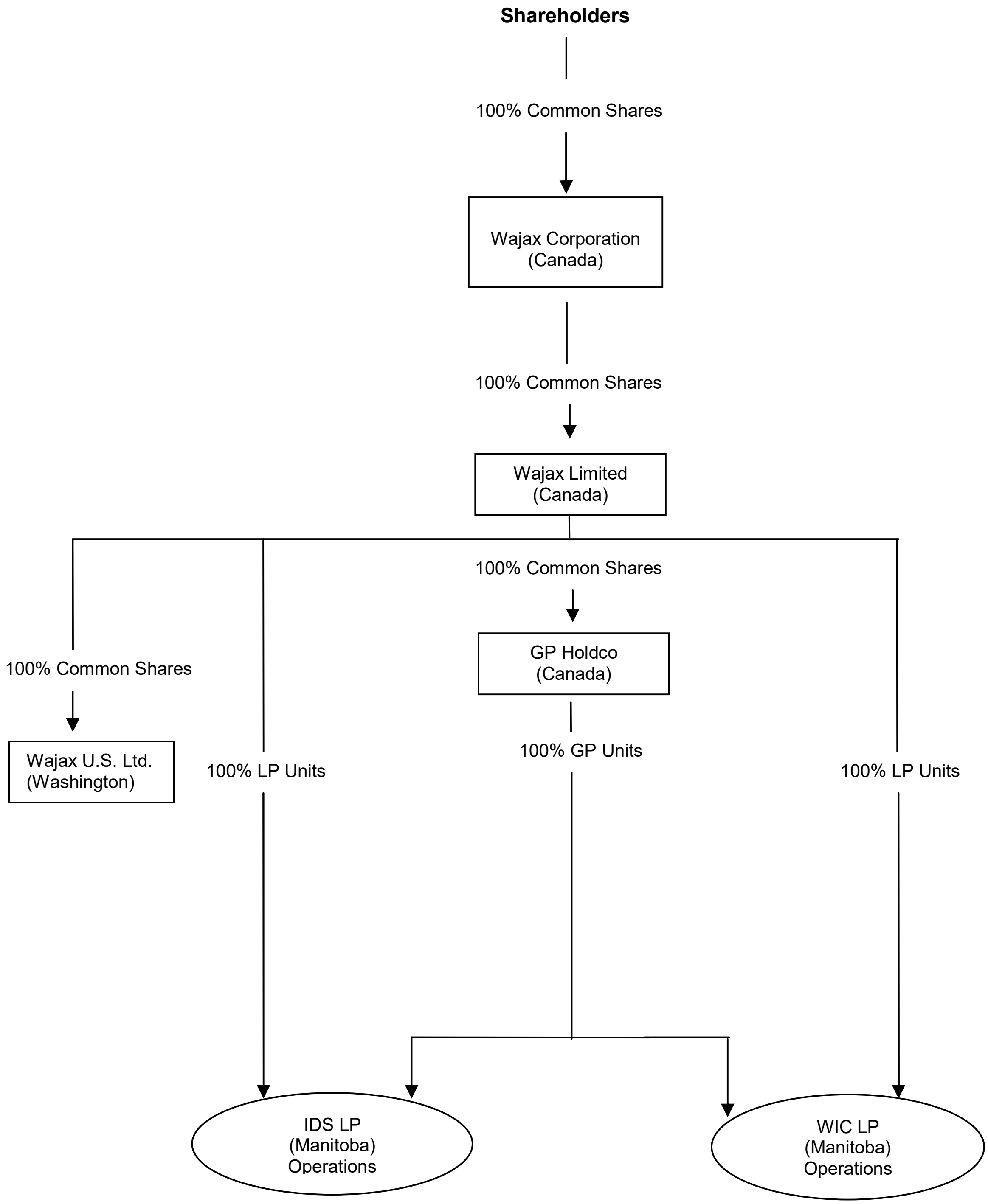
Wajax Corporation ("Wajax" or the "Corporation"), incorporated under the Canada Business Corporations Act, is the successor to Wajax Income Fund. Effective January 1, 2011, Wajax Income Fund converted into a corporation pursuant to a Plan of Arrangement and the shares of Wajax Corporation began trading on the Toronto Stock Exchange on January 4, 2011 under the symbol "WJX".

For ease of reference, the use of "we", "us", "our" and "Wajax" throughout this Annual Information Form refers to the Corporation or its board committees from and after January 1, 2011 and to the Fund or its board committees for the period prior thereto.

The Corporation's registered and corporate executive offices are located at 2250 Argentia Road, Mississauga, Ontario, L5N 6A5.

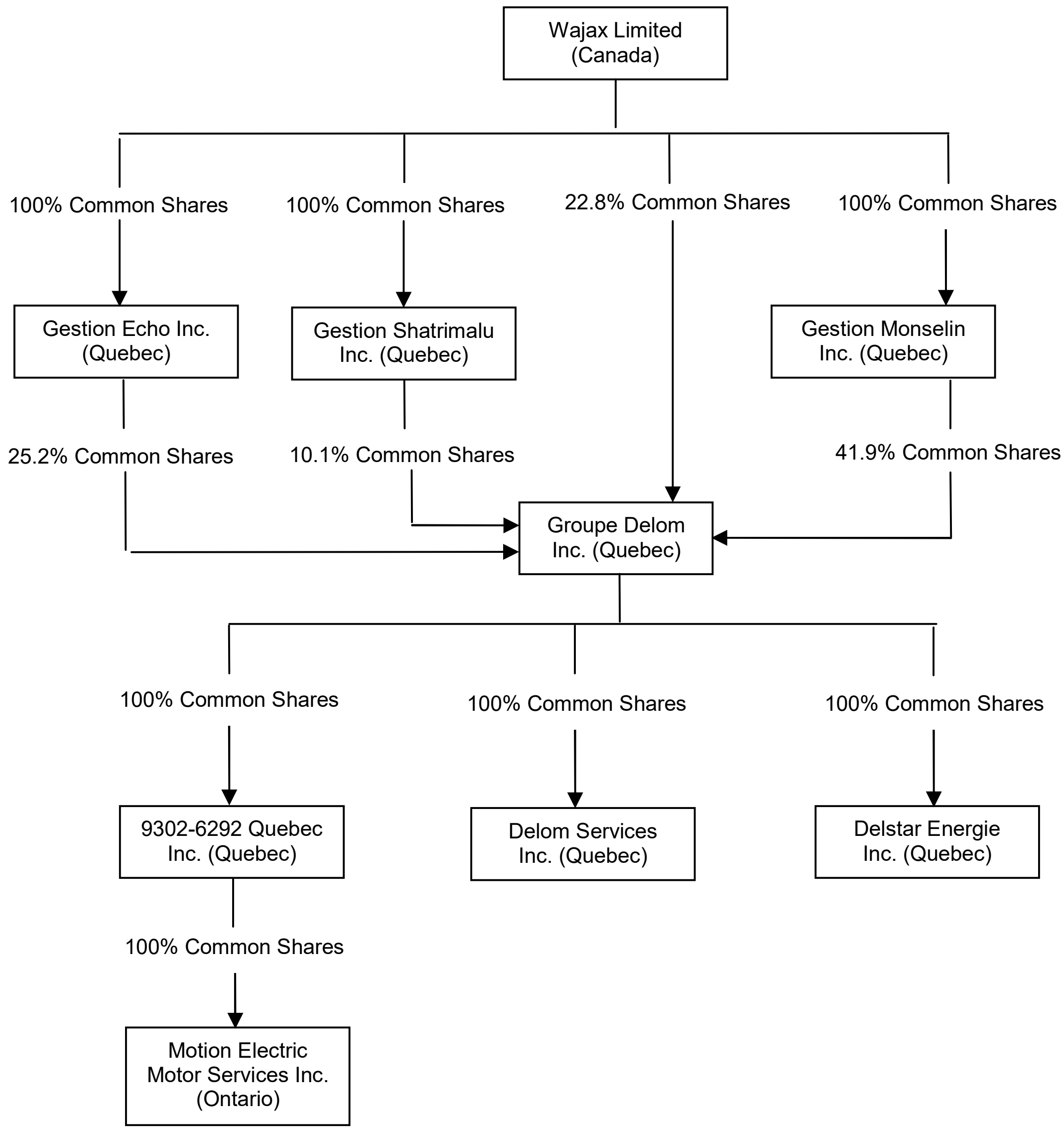
Structure of Wajax

The following chart details the structure of Wajax and its subsidiaries and the laws of their respective jurisdictions under which they are established, prior to the October 16, 2018 acquisition of Groupe Delom Inc. ("Delom") by Wajax Limited:



Structure of Wajax

The following chart details the Delom entities acquired by Wajax Limited on October 16, 2018:



GENERAL DEVELOPMENT OF THE BUSINESS

Founded in 1858, Wajax (TSX: WJX) is one of Canada's longest-standing and most diversified industrial products and services providers. The Corporation operates an integrated distribution system providing sales, parts and services to a broad range of customers in diverse sectors of the Canadian economy, including: construction, forestry, mining, industrial/commercial, oil sands, transportation, metal processing, government and utilities and oil and gas.

Historical Development of the Business

From 2010 to 2012, Wajax's revenue and earnings increased significantly over 2009 as demand improved in the vast majority of Wajax's end markets coming off the 2009 recession.

Since the second half of 2012, weakness in oil and gas sector activity in western Canada has resulted in a decline in customer spending, primarily affecting the on-highway, off-highway, power generation and industrial parts markets. In addition, a reduction in mining activity, including the oil sands market, since 2013 has impacted all product categories, as lower commodity prices combined with a lack of financing for new mines influenced customers to take a more cautious approach in making commitments to buy equipment. Up until 2016, Wajax experienced declines in parts and service revenues as oil sands operators and mining customers idled portions of their equipment fleets and deferred maintenance spending. However in 2016, the Corporation experienced an increase in mining sector activity including the delivery of four large mining shovels into both the oil sands and eastern Canada mining markets.

In 2016, the Corporation began transitioning from three independent product divisions to a leaner and more integrated functional organization. The current structure is intended to improve the Corporation's cross-company customer focus, closely align resources to the Corporation's Strategic Plan, improve operational leverage, and lower costs through productivity gains and the elimination of redundancy inherent in the previous structure.

In 2017, the Corporation completed a comprehensive review of its growth strategy which resulted in an updated Strategic Plan that establishes priorities for organic growth, acquisitions and operating infrastructure. See the Strategies for Wajax section.

In 2018, the Corporation initiated a redesign of its finance function to align to the One Wajax structure, implemented by the 2016 reorganization. The Corporation successfully completed the acquisition of Delom in the fourth quarter as part of its acquisition strategy. The Corporation continues to focus on investing in its team, customers and infrastructure through various initiatives. In 2018, the Corporation achieved record revenue of $1.48 billion, an increase of 12%. Regionally, revenue strengthened by 14% over the prior year in western Canada, 5% in central Canada and 15% in eastern Canada.

Strategies for Wajax

The focus of the One Wajax strategy is to provide customers with access to the Corporation's full range of products and services while delivering a consistently excellent level of customer service. The strategy builds on the Corporation's strengths of a well-trained and dedicated team of professionals, a broad range of products and services, deep experience in a wide range of markets, strong relationships with leading manufacturers and a national branch network. The Corporation is focused on delivering a strong experience for its team, customers and investors by executing clear plans in six important areas:

- Investing in the Wajax team - The safety, well-being and engagement of the Corporation's team of 2,800 technicians, sales professionals, support staff and leaders is the foundation of the Corporation. The Corporation is very proud of the Wajax team's accomplishments in workplace safety, progress on personal wellness programs and enhanced training and professional development.

- Investing in Wajax' customers - The Corporation has the privilege of supporting 32,000 individual customers across Canada ranging from small local contractors to the country's largest industrial and resource organizations. Wajax continues to expand its Voice of the Customer (VoC) program which evaluates detailed customer service levels for each location and shares customer feedback openly with all parts of the Corporation. For an increasing number of large customers, the VoC program also uses analytical systems and dedicated teams to explore opportunities to increase the Corporation's share-of-wallet with individual customers.

- Executing a clear organic growth strategy - The Corporation has classified its ten current product and service categories based on a category's contribution to sustainable growth. While Wajax is competitive in all of the categories it participates in, these classifications ensure that resources (such as inventory, personnel and marketing) are allocated appropriately. The Corporation's classifications are Targeted Growth (which includes the Construction, Material Handling and Engineered Repair Services categories), Core Strength (which includes the Industrial Parts, Forestry, On-Highway and Power and Marine categories) and Cyclical and Major Projects (which includes the Mining, Engines and Transmissions and Crane/Utility categories). The majority of the Corporation's strategic plan's organic growth is expected to result from Targeted Growth categories due to the relatively high opportunity for market share increases, resilient aftermarkets, the strength of the Corporation's product and service range and related manufacturer relationships. In 2018, 55% of the Corporation's revenue growth was driven by Targeted Growth categories.

- Accretive acquisitions strategy - Wajax has developed clear acquisition criteria for the Canadian and U.S. markets. In Canada, the focus is primarily on acquisitions that add to the Corporation's scale in the Engineered Repair Services (ERS) business and secondarily to extensions to the Corporation's existing distribution businesses. In the U.S. market, the focus is on reviewing growth opportunities related to distribution businesses that provide a long-term growth platform for the One Wajax multi-category model. Acquisitions are considered when they can be achieved within acceptable leverage parameters, are consistent with our product and service strategy, accretive to EBITDA margin, provide scale and have effective management teams.

- Investing in the Wajax infrastructure - The Corporation is making major changes to its infrastructure to improve the consistency of customer service, lower fixed costs and add new sales channels in an increasingly technology-enabled industry. The Corporation's current infrastructure programs include the ongoing consolidation of the branch network to improve customer service and to lower the cost of its physical footprint. In addition, the Corporation is investing in new information systems and capabilities that replace the aged legacy systems and provide a platform for new customer-facing capabilities. In 2018, the Corporation completed the majority of the configuration and testing of its new ERP system, which the Corporation expects to begin implementing in the first half of 2019.

- Ongoing refinements to the One Wajax organizational model - In 2016, Wajax made major changes to how its team is organized in order to improve growth, drive consistency and to lower fixed costs. The changes reduced costs by approximately $20 million at the time of the change, primarily through the reduction of administrative personnel costs. As the business has grown, the Corporation has reinvested those savings, primarily in revenue generating roles, such as sales professionals and technicians. Wajax continues to refine its organizational model and expects additional improvements in cost productivity, due primarily to technology investments.

No assurance can be given that the Corporation's intentions with respect to its One Wajax strategy will occur as anticipated or at all. See the Risk Factors Relating to Wajax and the Cautionary Statement Regarding Forward-Looking Information sections.

Recent Development of the Business

The following is a summary of significant developments in Wajax's business since 2016.

2016

- Effective April 20, 2016, the Corporation acquired the assets of Montreal-based Wilson Machine Co. Ltd ("Wilson Machine") for approximately $5 million subject to the satisfaction of customary closing conditions. Wilson Machine is a North American leader in the manufacturing and repair of precision rotating machinery and gearboxes with annual sales of approximately $6 million, and its major customers in eastern Canada align well with Wajax's existing customer base. Wilson Machine's service offerings are an ideal fit for Wajax's 4 Points of Growth strategy and management believes it can leverage the Corporation's sales force and larger geographic footprint to significantly grow the business.

- On March 1, 2016, the Corporation announced that, during 2016, it will be transitioning from its current three independent product divisions to a leaner and more integrated functional organization. The new structure is intended to improve the Corporation's cross-company customer focus, closely align resources to the 4 Points of Growth strategy, improve operational leverage, and lower costs through productivity gains and the elimination of redundancy inherent in the current structure.

- The Corporation recorded $3.7 million of expected compensation from insurers for business interruption losses, mainly related to the Fort McMurray wildfires, which occurred in early May 2016. The Corporation's facilities in Fort McMurray and Fort MacKay incurred minimal damage.

- On September 6, 2016, the Corporation amended its bank credit facility, extending the maturity date from August 12, 2019 to August 12, 2020. In addition, the $30 million non-revolving term portion of the facility was repaid, using proceeds from a drawdown under the revolving term portion of the facility, and the $220 million revolving term portion of the facility was increased to $250 million.

2017

- Effective March 8, 2017, Darren Yaworsky assumed the role of Senior Vice President, Finance and Chief Financial Officer. Mr. Yaworsky is an experienced finance executive with an extensive background in corporate finance, treasury and risk management. Most recently, he served as Vice President, Finance and Treasurer at Canadian Pacific Railway and, prior to that, held several senior financial executive roles within the Enbridge Group of Companies, including Treasurer of Enbridge Energy Partners LP and Treasurer of Enbridge Income Fund.

  Mr. Yaworsky succeeded John Hamilton, who joined Wajax as Senior Vice President, Finance and Chief Financial Officer in 1999 and retired from Wajax in March 2017.

- Paul Gagné, a director since 1996 and Chairman of the Board since 2006, retired from the board of directors at the close of the Corporation's 2017 annual meeting of shareholders in May 2017. Rob Dexter was nominated by his fellow directors to assume the duties of Chairman following the 2017 annual meeting. Rob has been a director since 1988 and has most recently served as Chair of the Human Resources and Compensation Committee of the Board.

- In January 2017, the role of Stuart Auld, Senior Vice President, Information Systems was expanded to include leading the Corporation's Human Resources team upon the departure of Kathleen Hassay, Senior Vice President, Human Resources, who left the organization in early 2017.

- On September 20, 2017, the Corporation amended its bank credit facility, extending the maturity date from August 12, 2020 to September 20, 2021. In addition, a $50 million non-revolving term facility was added to the existing $250 million revolving term portion of the facility, increasing the total facility size to $300 million. The existing financial covenants under the credit facility restricting distributions, acquisitions and investments have been increased to a leverage ratio of 4.0 times. Proceeds from the amended bank credit facility were used on October 23, 2017 to redeem the Corporation's outstanding 6.125% senior notes due October 23, 2020. The redemption amount was 103.063% of the principal amount, including a $3.8 million call premium, plus accrued and unpaid interest to the redemption date.

- The Corporation announced on November 7, 2017 that Michael Gross, Senior Vice President, Power and Marine, will be leaving Wajax to pursue other opportunities after assisting with the orderly transition of his responsibilities.

<u>2018</u>

- On October 16, 2018, the Corporation completed the acquisition of all of the issued and outstanding shares of Montréal, Québec–based Delom. The aggregate purchase price for the shares was $52.1 million, including $2.0 million which is subject to the achievement of certain performance targets post-closing.

- On October 16, 2018, the Corporation also announced amendments to its senior secured credit facilities. Pursuant to such amendments, the aggregate commitments of the lenders under such facilities have been increased from $300 million to $400 million, and the maturity date has been extended from 2021 to 2023 representing a five year commitment from lenders.

- On November 5, 2018, the Corporation announced the appointment of Anne Bélec to its board of directors effective that same date.

- During 2016, as part of its transition to the "One Wajax" operating model, the Corporation consolidated its three former operating divisions - Wajax Equipment, Wajax Power Systems and Wajax Industrial Components - into one business. As a result, in 2017, the Corporation began to report on its operations as one operating segment, versus the prior three operating segments. In 2018, the Corporation communicated plans to redesign its finance function ("Finance Reorganization Plan"), with the following objectives: (1) to better align the operation of the finance group with the operation of the business, (2) to standardize financial policies, procedures and controls of the three former operating divisions, and (3) apply the standardized financial policies, procedures and controls across the organization to support the implementation of the Corporation's new ERP system which is expected to begin in 2019. The finance function redesign is being completed with the support of external advisors to ensure adherence to industry best practices.

Acquisitions

Wajax did not complete any significant acquisitions in 2018 for which additional disclosure is required.

DESCRIPTION OF THE BUSINESS

In 2018, the business of Wajax was carried on across Canada and generated revenue from products and services as summarized below:

Revenue by Geographic Region:	**2018**	2017
	%	%
Western Canada	**44**	43
Central Canada	**22**	24
Eastern Canada*	**34**	33
Total	**100**	100

* Includes Quebec and the Atlantic provinces.

Revenue by Market:	**2018**	2017
	%	%
Construction	**19**	17
Mining	**16**	13
Forestry	**14**	16
Industrial/Commercial	**11**	12
Oil Sands	**9**	10
Transportation	**9**	9
Metal Processing	**6**	6
Government & Utilities	**4**	6
Oil and Gas	**4**	3
Other	**8**	8

Revenue by Product Mix:	**2018**		2017 (As adjusted)(1)	
	$ Millions	**%**	$ Millions	%
Equipment sales	**542.8**	**37**	461.5	35
Equipment rental	**34.9**	**2**	32.3	2
Industrial parts	**361.7**	**24**	340.0	26
Product support	**457.6**	**31**	424.9	32
Other	**84.6**	**6**	60.1	5
Total consolidated revenue	**1,481.6**	**100**	1,318.7	100

(1) The Corporation has adjusted its comparative 2017 earnings and financial position as a result of the adoption on January 1, 2018 of IFRS 15 Revenue from Contracts with Customers and its comparative 2017 earnings and financial position as a result of the adjustments to prior period financial statements identified as part of the Finance Reorganization Plan. See the Adjustments to Prior Period Financial Statements section of the management's discussion and analysis for the year ended December 31, 2018.

Categories

Wajax currently provides products and services in ten categories. Organic growth planning focuses on the relative opportunities in each of these categories considering market size and share, the strength of manufacturing relationships and products, category profitability and the durability of opportunity through the business cycle. Wajax's peak to trough performance has historically been related to a high proportion of profitability resulting from categories that are sensitive to commodity cycles. Based on a revised strategy, the focus of organic growth planning is to derive growth from categories where opportunities exist and business conditions are more stable through the cycle while not sacrificing growth opportunities in more cyclical businesses.

Wajax's ten categories have been grouped into three classifications:

- **Targeted Growth –** These categories represent the majority of planned organic growth due to Wajax's market share opportunities, excellent manufacturer products and support and opportunities to grow through the cycle. *Targeted Growth* categories are Construction, Material Handling and Engineered Repair Services, and growth is based on gaining market share. In 2018, these categories represented 34% of sales.

- **Core Strength –** These categories are very important contributors to Wajax's revenue base and growth is expected to be generally consistent with long-term positive trends. In these categories, Wajax has strong current market shares or performance. *Core Strength* categories include Industrial Parts, Forestry, On-Highway and Power Generation/Marine. In 2018, these categories represented 47% of sales.

- **Cyclical/Major Project Opportunities –** These categories address customer needs in more cyclical industries or are sensitive to major capital projects that are difficult to predict. Growth planning in these categories has been completed on a conservative basis and has been assumed below peak revenue levels through the outlook period of 2018 – 2020. Wajax and its manufacturing partners offer very strong products and services and the Corporation is well-positioned to benefit from upside in each of these categories. *Cyclical/Major Project Opportunities* categories include Mining, Engines and Transmissions (which are all highly correlated to the conventional oil and gas industry), and Crane/Utility. In 2018, these categories represented 19% of sales.

Targeted Growth

Construction

Wajax works closely with partners at Hitachi, Bell and other manufacturers, to grow market share in construction equipment, focusing on excavators, wheel loaders and articulated dump trucks. Wajax offers core construction products, a full range of aftermarket services, enhanced sales coverage and will increasingly offer new rental options on heavy equipment to ensure we are meeting the needs of our construction customers.

Material Handling

In partnership with Hyster-Yale Material Handling, Wajax's focus is to build upon our strength in the material handling market and expand our market share through enhanced sales coverage, ancillary equipment and warehouse products, expanded aftermarket services and investment in our rental fleet. Wajax offers a broad range of products and services to address the material handling needs of warehouse, industrial and heavy-lift customers.

Engineered Repair Services (ERS)

Wajax continues to build ERS capabilities, offering shop and field services, commissioning, design, repairs and rebuilds, reliability and installation services. Our organic growth strategy includes a focus on major account development for industrial and resource customers and enhanced services including asset management, condition monitoring and predictive maintenance. Acquisitions are expected to play an important role in our business.

Core Strength

Industrial Parts

Working closely with major vendors, including SKF, Timken, ITT, 3M, Eaton and Moyno, Wajax offers its customers expert service and support across a full range of bearings and power transmission, process and fluid power products. Industrial Parts is a very significant revenue contributor and an important competitive differentiator. The category is consumed by virtually all industrial users and offers access to a large number of customers, generating sales and service opportunities in other categories.

Forestry

In partnership with Tigercat and Hitachi, Wajax offers an industry-leading range of equipment and aftermarket services to logging contractors and other forestry customers. Wajax has achieved strong market share in a number of important product areas and continues to see growth opportunities as manufacturing partners invest in new product development that increases the safety, productivity and cost effectiveness of the logging operations of customers.

On-Highway

On-Highway product support covers a wide range of shop and road services for municipalities, coach operators and large vehicle customers. Working with partners such as Detroit and Allison, who have excellent market share in the installed vehicle population, Wajax is an industry leader in large engine and transmission services. Continued growth is based on ongoing improvements in our customer service and expansion of our services to additional vehicle systems.

Power Generation/Marine

Standby, prime power and co-generation power systems are an important focus for Wajax and our primary partner Rolls-Royce Power Systems/MTU On-Site Energy. Wajax's legacy strength in resource industries has been augmented to focus on growth areas including data centres, health care and water treatment. In marine power generation and propulsion, Wajax enjoys strong partnerships with Rolls-Royce and Volvo, providing growth opportunities in commercial and defense marine.

Cyclical/Major Project Opportunities

Mining

Working closely with Hitachi, Wajax is a leader in the sales and service of large hydraulic mining shovels, used in surface mining operations across Canada, and continues to develop new opportunities in the rigid frame mining truck market. To expand the range of products and services to our mining customers, Wajax has focused on new underground mining equipment, working with partners such as Fletcher, and re-build services for other major equipment to help customers extend the life and efficiency of their assets.

Engines and Transmissions

Wajax supports a very broad range of engines and transmissions used in off-highway applications such as oil and gas drilling, well stimulation and large vehicle or system re-powers. Products and services include design engineering, systems packaging, shop and field repair and re-build services. Our primary partners include Rolls-Royce Power Systems/MTU and Allison and others. To partially compensate for the cyclicality in this category, Wajax continues to focus on aftermarket and re-power services.

Crane/Utility

Working with partners such as Terex and Palfinger, Wajax offers a broad range of design and fabrication services to provincial utility and other customers. As utility customers adjust their capital spending on new equipment, Wajax is reviewing additional crane and utility opportunities.

Manufacturer Relationships and Product Access

Wajax seeks to distribute leading product lines in each of its regional markets and its success is dependent upon continuing relations with the manufacturers it represents. Wajax endeavours to align itself in long-term relationships with manufacturers that are committed to achieving a competitive advantage and long-term market leadership in their targeted market segments. In the equipment and engines, transmissions and power generation categories, and in certain cases in the hydraulics and process pumps portion of the industrial parts category, manufacturer relationships are governed through effectively exclusive distribution agreements. Distribution agreements are for the most part open-ended, but are cancellable within a relatively short notification period specified in the agreement.

Competition

The equipment, power train and power generation product and service categories in which Wajax competes are highly competitive. Wajax primarily competes against regional dealers and distributors that tend to handle a dedicated product line. Competitors include the distribution networks of companies such as Caterpillar, John Deere, Komatsu, Cummins and Freightliner. Competition is based primarily on product quality, price and product support.

In the industrial parts category, Wajax competes with a broad range of local and national dealers and distributors who, in many cases, have access to the same product lines as Wajax. Competitive factors include but are not limited to customer relationships, major supply contracts, service levels and pricing.

Human Resources

Wajax has approximately 2,800 employees. At the outset of 2018, Wajax was party to twelve collective agreements covering a total of 325 employees. During 2018, eight collective agreements covering 204 employees were ratified. One agreement covering 55 employees expired at the end of 2018 and negotiations are in progress. The remaining 3 agreements covering 66 employees expire in 2019 and 2020. Wajax believes its labour relations to be satisfactory and does not anticipate it will be unable to renew the collective agreements. If Wajax is unable to renew or negotiate collective agreements from time to time, it could result in work stoppages and other labour disturbances. The failure to renew collective agreements upon satisfactory terms could have a material adverse impact on Wajax's business, results of operations or financial condition.

Environmental Programs

Wajax at times has retained environmental consultants who have assisted Wajax in undertaking its environmental management and compliance activities. These activities include the establishment of an environmental management policy for reporting environmental issues to senior management and the board of directors, the conduct of environmental compliance audits of Wajax's facilities and follow-up programs to address recommendations in the reports. In addition, Wajax retains environmental consulting engineers to perform environmental audits of business facilities prior to acquisition or occupation by Wajax. Wajax monitors and enhances its environmental management program in consultation with its environmental consultants. Management is not aware of any material environmental concerns for which a provision has not been made.

Business Cycles

Wajax's customer base consists of businesses operating in the natural resources, construction, transportation, manufacturing, industrial processing and utilities industries. These industries are capital intensive and cyclical in nature, and as a result, customer demand for Wajax's products and services may be affected by economic conditions at both a global or local level. Wajax has attempted to address its exposure to business and industry cyclicality by diversifying its operations by geography, product offerings and customer base.

RISK FACTORS RELATING TO WAJAX

Careful consideration should be given to the following risks and uncertainties. These risks and uncertainties are not the only ones facing Wajax. Additional risks and uncertainties not currently known to Wajax, or that Wajax currently considers immaterial, may also impair the operations of Wajax. If any such risks actually occur, the business, financial condition, or liquidity and results of operations could be materially adversely affected and, hence, the ability of Wajax to make dividends could be materially adversely affected.

Wajax attempts to minimize many of these risks through diversification of core businesses and through the geographic diversity of its operations. In addition, Wajax has adopted an annual enterprise risk management assessment which is prepared by the Corporation's senior management and overseen by the board of directors and committees of the board. The enterprise risk management framework sets out principles and tools for identifying, evaluating, prioritizing and managing risk effectively and consistently across Wajax.

The following are a number of risks that deserve particular comment:

Manufacturer relationships and product access

Wajax seeks to distribute leading product lines in each of its regional markets and its success is dependent upon continuing relations with the manufacturers it represents. Wajax endeavours to align itself in long-term relationships with manufacturers that are committed to achieving a competitive advantage and long-term market leadership in their targeted market segments. In the equipment, engines, transmissions and power generation categories, and in certain cases in the hydraulics and process pumps portion of the industrial parts category, manufacturer relationships are governed through effectively exclusive distribution agreements. Distribution agreements are for the most part open-ended, but are cancellable within a relatively short notification period specified in each agreement. Although Wajax enjoys good relationships with its major manufacturers and seeks to develop additional strong long-term partnerships, a loss of a major product line without a comparable replacement would have a significantly adverse effect on Wajax's results of operations or cash flow.

There is a continuing consolidation trend among industrial equipment and component manufacturers. Consolidation may impact the products distributed by Wajax, in either a favourable or unfavourable manner. Consolidation of manufacturers may have a negative impact on the results of operations or cash flow if product lines Wajax distributes become unavailable as a result of the consolidation.

Suppliers generally have the ability to unilaterally change distribution terms and conditions, product lines or limit supply of product in times of intense market demand. Supplier changes in the area of product pricing and availability can have a negative or positive effect on Wajax's revenue and margins. A change in one of a supplier's product lines can result in conflicts with another supplier's product lines that may have a negative impact on the results of operations or cash flow if one of the suppliers cancels its distribution with Wajax due to the conflict. As well, from time to time suppliers make changes to payment terms for distributors. This may affect Wajax's interest-free payment period or consignment terms, which may have a materially negative or positive impact on working capital balances such as cash, inventory, deposits on inventory, trade and other payables and bank debt.

Economic conditions/Business cyclicality

Wajax's customer base consists of businesses operating in the natural resources, construction, transportation, manufacturing, industrial processing and utilities industries. These industries can be capital intensive and cyclical in nature, and as a result, customer demand for Wajax's products and services may be affected by economic conditions at both a global or local level. Changes in interest rates, consumer and business confidence, corporate profits, credit conditions, foreign exchange, commodity prices and the level of government infrastructure spending may influence Wajax's customers' operating, maintenance and capital spending, and therefore Wajax's sales and results of operations. Although Wajax has attempted to address its exposure to business and industry cyclicality by diversifying its operations by geography, product offerings and customer base, there can be no assurance that Wajax's results of operations or cash flows will not be adversely affected by changes in economic conditions.

Commodity prices

Many of Wajax's customers are directly and indirectly affected by fluctuations in commodity prices in the forestry, metals and minerals and petroleum and natural gas industries, and as a result Wajax is also indirectly affected by fluctuations in these prices. In particular, each of Wajax's products and services categories are exposed to fluctuations in the price of oil and natural gas. A downward change in commodity prices, and particularly in the price of oil and natural gas, could therefore adversely affect Wajax's results of operations or cash flows.

Growth initiatives, integration of acquisitions and project execution

The Corporation's updated Strategic Plan establishes priorities for organic growth, acquisitions and operating infrastructure, including maintaining a target leverage ratio range of 1.5 – 2.0 times unless a leverage ratio outside this range is either to support key growth initiatives or fluctuations in working capital levels during changes in economic cycles. While end market conditions remain challenging, the Corporation believes it has a robust strategy and is confident in its growth prospects. The Corporation's confidence is strengthened by the enhanced earnings potential of a reorganized Corporation and by relationships with its customers and vendors. Wajax's ability to develop its core capabilities and successfully grow its business through organic growth will be dependent on achieving the individual growth initiatives. Wajax's ability to successfully grow its business through acquisitions will be dependent on a number of factors including: identification of accretive new business or acquisition opportunities; negotiation of purchase agreements on satisfactory terms and prices; prior approval of acquisitions by third parties, including any necessary regulatory approvals; securing attractive financing arrangements;

and integration of newly acquired operations into the existing business. All of these activities associated with growing the business, realizing enhanced earnings potential from the new structure and investments made in systems may be more difficult to implement or may take longer to execute than management anticipates. Further, any significant expansion of the business may increase the operating complexity of Wajax, and divert management away from regular business activities. Any failure of Wajax to successfully manage its growth strategy, including acquisitions, could have a material adverse impact on Wajax's business, results of operations or financial condition. See the Strategies for Wajax section.

Key personnel

The success of Wajax is largely dependent on the abilities and experience of its senior management team and other key personnel. Its future performance will also depend on its ability to attract, develop and retain highly qualified employees in all areas of its business. Competition for skilled management, sales and technical personnel is intense, particularly in certain markets where Wajax competes. Wajax continuously reviews and makes adjustments to its hiring, training and compensation practices in an effort to attract and retain a highly competent workforce. There can be no assurance, however, that Wajax will be successful in its efforts and a loss of key employees, or failure to attract and retain new talent as needed, may have an adverse impact on Wajax's current operations or future prospects.

Leverage, credit availability and restrictive covenants

Wajax has a $400 million bank credit facility which expires September 20, 2023. The bank credit facility contains restrictive covenants which place restrictions on, among other things, the ability of Wajax to encumber or dispose of its assets, the amount of finance costs incurred and dividends declared relative to earnings and certain reporting obligations. A failure to comply with the obligations of the facility could result in an event of default which, if not cured or waived, could require an accelerated repayment of the facility. There can be no assurance that Wajax's assets would be sufficient to repay the facility in full.

Wajax's short-term normal course working capital requirements can swing widely quarter-to-quarter due to timing of large inventory purchases and/or sales and changes in market activity. In general, as Wajax experiences growth, there is a need for additional working capital. Conversely, as Wajax experiences economic slowdowns working capital reduces reflecting the lower activity levels. While management believes the bank credit facility will be adequate to meet the Corporation's normal course working capital requirements, maintenance capital requirements and certain strategic investments, there can be no assurance that additional credit will become available if required, or that an appropriate amount of credit with comparable terms and conditions will be available when the bank credit facility matures.

Wajax may be required to access the equity or debt markets or reduce dividends in order to fund significant acquisitions and growth related working capital and capital expenditures. The amount of debt service obligations under the bank credit facility will be dependent on the level of borrowings and fluctuations in interest rates to the extent the rate is unhedged. As a result, fluctuations in debt servicing costs may have a detrimental effect on future earnings or cash flow.

Wajax also has credit lines available with other financial institutions for purposes of financing inventory. These facilities are not committed lines and their future availability cannot be assured, which may have a negative impact on cash available for dividends and future growth opportunities.

Quality of products distributed

The ability of Wajax to maintain and expand its customer base is dependent upon the ability of the manufacturers represented by Wajax to sustain or improve the quality of their products. The quality and reputation of such products are not within Wajax's control, and there can be no assurance that manufacturers will be successful in meeting these goals. The failure of these manufacturers to maintain a market presence could adversely affect Wajax's results of operations or cash flow.

Inventory obsolescence

Wajax maintains substantial amounts of inventory in its business operations. While Wajax believes it has appropriate inventory management systems in place, variations in market demand for the products it sells can result in certain items of inventory becoming obsolete. This could result in a requirement for Wajax to take a material write down of its inventory balance resulting in Wajax not being able to realize expected revenue and cash flows from its inventory, which would negatively affect results from operations or cash flow.

Government regulation

Wajax's business is subject to evolving laws and government regulations, particularly in the areas of taxation, the environment, and health and safety. Changes to such laws and regulations may impose additional costs on Wajax and may adversely affect its business in other ways, including requiring additional compliance measures by Wajax.

Insurance

Wajax maintains a program of insurance coverage that is comparable to those maintained by similar businesses, including property insurance and general liability insurance. Although the limits and self-insured retentions of such insurance policies have been established through risk analysis and the recommendations of professional advisors, there can be no assurance that such insurance will remain available to Wajax at commercially reasonable rates or that the amount of such coverage will be adequate to cover all liability incurred by Wajax. If Wajax is held liable for amounts exceeding the limits of its insurance coverage or for claims outside the scope of that coverage, its business, results of operations or financial condition could be adversely affected.

Information systems and technology

Information systems are an integral part of Wajax's business processes, including marketing of equipment and support services, inventory and logistics, and finance. Some of these systems are integrated with certain suppliers' core processes and systems. Any disruptions to these systems or new systems due, for example, to the upgrade or conversion thereof, or the failure of these systems or new systems to operate as expected could, depending on the magnitude of the problem, adversely affect Wajax's operating results by limiting the ability to effectively monitor and control Wajax's operations.

Credit risk

Wajax extends credit to its customers, generally on an unsecured basis. Although Wajax is not substantially dependent on any one customer and it has a system of credit management in place, the loss of a large receivable would have an adverse effect on Wajax's profitability.

Labour relations

Wajax has approximately 2,800 employees. At the outset of 2018, Wajax was party to twelve collective agreements covering a total of 325 employees. During 2018, eight collective agreements covering 204 employees were ratified. One agreement covering 55 employees expired at the end of 2018 and negotiations are in progress. The remaining 3 agreements covering 66 employees expire in 2019 and 2020. Wajax believes its labour relations to be satisfactory and does not anticipate it will be unable to renew the collective agreements. If Wajax is unable to renew or negotiate collective agreements from time to time, it could result in work stoppages and other labour disturbances. The failure to renew collective agreements upon satisfactory terms could have a material adverse impact on Wajax's business, results of operations or financial condition.

Foreign exchange exposure

Wajax's operating results are reported in Canadian dollars. While the majority of Wajax's sales are in Canadian dollars, significant portions of its purchases are in U.S. dollars. Changes in the U.S. dollar exchange rate can have a negative or positive impact on Wajax's revenue, margins and working capital balances. Wajax mitigates certain exchange rate risks by entering into short-term foreign exchange forward contracts to fix the cost of certain inbound inventory and to hedge certain foreign-currency denominated sales to customers. In addition, Wajax will periodically institute price increases to offset the negative impact of foreign exchange rate increases on imported goods. The inability of Wajax to mitigate exchange rate risks or increase prices to offset foreign exchange rate increases, including sudden and volatile changes in the U.S. dollar exchange rate, may have a material adverse effect on the results of operations or financial condition of Wajax.

A declining U.S. dollar relative to the Canadian dollar can have a negative effect on Wajax's revenue and cash flows as a result of certain products being imported from the U.S. In some cases market conditions require Wajax to lower its selling prices as the U.S. dollar declines. As well, many of Wajax's customers export products to the U.S., and a strengthening Canadian dollar can negatively impact their overall competitiveness and demand for their products, which in turn may reduce product purchases from Wajax.

A strengthening U.S. dollar relative to the Canadian dollar can have a positive effect on Wajax's revenue, as Wajax will periodically institute price increases on inventory imported from the U.S. to offset the negative impact of foreign exchange rate increases to ensure margins are not eroded. However, a sudden strengthening U.S. dollar relative to the Canadian dollar can have a negative impact mainly on parts margins in the short-term prior to price increases taking effect.

Wajax maintains a hedging policy whereby significant transactional currency risks are identified and hedged.

Interest rate risk

Wajax has exposure to interest rate fluctuations on its interest-bearing financial liabilities, in particular from its long-term debt. Changes in interest rates can have a negative or positive impact on Wajax's finance costs and cash flows. Wajax monitors the proportion of variable rate debt to its total debt portfolio and may enter into interest rate hedge contracts to mitigate a portion of the interest rate risk on its variable rate debt. The inability of Wajax to mitigate interest rate risks to offset interest rate increases may have a material adverse effect on the results of operations or financial condition of Wajax.

Equity price risk

The Corporation's total return swaps are exposed to fluctuations in its share price. Changes in the Corporation's share price can have a positive or negative impact on Wajax's results of operations and cash flows. Wajax monitors the proportion of Mid-Term Incentive Plan for Senior Executives ("MTIP") rights that are cash-settled and may enter into total return swap contracts to mitigate a portion of the equity price risk on these MTIP rights. The inability of Wajax to mitigate equity price risks to offset fluctuations in its share price may have a material adverse effect on the results of operations or financial condition of Wajax.

Competition

The categories in which Wajax participates are highly competitive and include competitors who are national, regional and local. Competitors can be grouped into three classifications:

Capital Equipment Dealers and Distributors – these competitors typically represent a major alternative manufacturer and provide sales, product support, rental, financing and other services in categories such as construction, forestry, mining and power generation. Examples include the regional dealer and distributor networks of Caterpillar, Komatsu, John Deere and Cummins. Competition is based on product range and quality, aftermarket support and price.

Industrial Parts Distributors – these competitors typically represent a broad range of industrial parts manufacturers and offer sales and, in many cases, product support services including design, assembly and repair. Competitive product range varies from focused on specific applications (e.g. hydraulics) to very broad (similar to Wajax). Competitors can be local, regional and national. Competition is based on brand access, product quality, customer service levels, price and ancillary services.

Aftermarket Service Providers – these competitors provide aftermarket services in areas such as on-highway transportation. Competitors vary from the dealer and distributor networks of manufacturers such as Freightliner and Western Star to local service providers. Competition is based on customer service levels and price.

There can be no assurance that Wajax will be able to continue to effectively compete. Increased competitive pressures, the growing influence of online distribution or the inability of Wajax to maintain the factors which have enhanced its competitive position could adversely affect its results of operations or cash flow.

Litigation and product liability claims

In the ordinary course of its business, Wajax may be party to various legal actions, the outcome of which cannot be predicted with certainty. One category of potential legal actions is product liability claims. Wajax carries product liability insurance, and management believes that this insurance is adequate to protect against potential product liability claims. Not all risks, however, are covered by insurance, and no assurance can be given that insurance will be consistently available, or will be consistently available on an economically feasible basis, or that the amounts of insurance will at all times be sufficient to cover each and every loss or claim that may occur involving Wajax's assets or operations.

Guaranteed residual value, recourse and buy-back contracts

In some circumstances Wajax makes certain guarantees to finance providers on behalf of its customers. These guarantees can take the form of assuring the resale value of equipment, guaranteeing a portion of customer lease payments, or agreeing to buy back the equipment at a specified price. These contracts are subject to certain conditions being met by the customer, such as maintaining the equipment in good working condition. Historically, Wajax has not incurred substantial losses on these types of contracts, however, there can be no assurance that losses will not be incurred in the future.

Future warranty claims

Wajax provides manufacturers' and/or dealer warranties for most of the product it sells. In some cases, the product warranty claim risk is shared jointly with the manufacturer. In addition, Wajax provides limited warranties for workmanship on services provided. Accordingly, Wajax has some liability for warranty claims. There is a risk that a possible product quality erosion or a lack of a skilled workforce could increase warranty claims in the future, or may be greater than management anticipates. If Wajax's liability in respect of such claims is greater than anticipated, it may have a material adverse impact on Wajax's business, results of operations or financial condition.

Maintenance and repair contracts

Wajax frequently enters into long-term maintenance and repair contracts with its customers, whereby Wajax is obligated to maintain certain fleets of equipment at various negotiated performance levels. The length of these contracts varies significantly, often ranging up to five or more years. The contracts are generally fixed price, although many contracts have additional provisions for inflationary adjustments. Due to the long-term nature of these contracts, there is a risk that significant cost overruns may be incurred. If Wajax has miscalculated the extent of maintenance work required, or if actual parts and service costs increase beyond the contracted inflationary adjustments, the contract profitability will be adversely affected. In order to mitigate this risk, Wajax closely monitors the contracts for early warning signs of cost overruns. In addition, the manufacturer may, in certain circumstances, share in the cost overruns if profitability falls below a certain threshold. Any failure by Wajax to effectively price and manage these contracts could have a material adverse impact on Wajax's business, results of operations or financial condition.

Environmental factors

From time to time, Wajax experiences environmental incidents, emissions or spills in the course of its normal business activities. Wajax has established environmental compliance and monitoring programs, including an internal compliance audit function, which management believes are appropriate for its operations. In addition, Wajax retains environmental engineering consultants to conduct the following activities: environmental site assessments prior to the acquisition or occupation by Wajax; ongoing monitoring of soil and groundwater contamination; and remediation of contaminated sites. To date, these environmental incidents, emissions and spills have not resulted in any material liabilities to the

Corporation, however, there can be no assurance that any future incidents, emissions or spills will not result in a material adverse effect on Wajax's results of operations or cash flows.

Cyber security

Wajax's business relies on information technology including third party service providers, to process, transmit and store electronic information including that related to customers, vendors and employees. A breach in the security of the Corporation's information technology, or that of its third party service providers, could expose the business to a risk of loss, misuse of confidential information and/or business interruption.

The Corporation has general security controls in place, including security tools, and reviews security internally and with the assistance of a third party. In addition, the Corporation has policies in place regarding security over confidential customer, vendor and employee information, performs employee security training, and has recovery plans in place in the event of a cyber-attack.

Despite such security controls, there is no assurance that cyber security threats can be fully detected, prevented or mitigated. Should such threats materialize and depending on the magnitude of the problem, they could have a material impact on Wajax's business, results of operations or financial condition.

AUDIT COMMITTEE

Audit Committee Charter

The text of the audit committee's charter can be found in Appendix A at the end of this Annual Information Form.

Composition of the Audit Committee

The audit committee of Wajax consists of Douglas A. Carty (Chair), Edward M. Barrett, John C. Eby, Sylvia D. Chrominska and Anne E. Bélec. Each member of the audit committee is "independent" as defined under *National Instrument 52-110 – Audit Committees (NI 52-110)* and none receives any compensation from Wajax other than for service as a member of the board of directors and its committees. All members of the audit committee are "financially literate" as defined under *NI 52-110*. The term "financially literate" means the ability to read and understand a set of financial statements that present a breadth and complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Wajax's financial statements.

Relevant Education and Experience

In addition to the general business experience of each member of the audit committee, relevant education and experience to the discharge of their committee responsibilities is as follows:

Mr. Carty currently serves on the board of Points International Ltd., a company offering products and services to the loyalty program industry, and YRC Worldwide Inc., a leading North American transportation services provider. He is also the Chairman and Co-Founder of Switzer-Carty Transportation Inc., a Burlington, Ontario based provider of school bus services. Previously, Mr. Carty served as Chief Financial Officer of Laidlaw International Inc., and subsequently as the President and Chief Executive Officer of its school bus subsidiary. He has also served as Chief Financial Officer of Atlas Air Worldwide Holdings and Canadian Airlines Corporation. Mr. Carty holds a Bachelor of Arts (Honours) degree from Queen's University and a Masters of Business Administration from the University of Western Ontario.

Mr. Barrett is Chairman and Co-Chief Executive Officer of Barrett Corporation, a private holding and management company with interests in wholesale distribution, commercial refrigeration and satellite/wireless communications. He is also a co-founder, significant shareholder and a director of Xplornet Communications Inc. Mr. Barrett is the Chairman of NB Power, an electric utility Crown corporation. He is also a director of Atlantic Industries Limited, a private company that designs and fabricates corrugated steel products primarily for infrastructure applications, NAV Canada, Canada's civil air navigation services provider, Medavie Inc., a health services and Blue Cross provider in Ontario, Quebec and Atlantic Canada, and Apex Industries Inc., a private company focused on metal manufacturing, product development and automation. Mr. Barrett holds a Bachelor of Arts degree from Acadia University and a Masters of Public Administration from Dalhousie University. He was inducted into the New Brunswick Business Hall of Fame in 2010 and has been recognized as a Fellow of the Institute of Corporate Directors (ICD).

Mr. Eby is a Founder and the President of Developing Scholars, a charity supporting education projects in Guatemala, and a trustee of Crombie Real Estate Investment Trust. He served as a director of Inmet Mining Corporation, a copper and zinc mining company, prior to its acquisition by First Quantum Minerals Ltd. in 2013. Previously, Mr. Eby was the Vice-Chairman of Scotia Capital Inc., where he was responsible for overseeing the mining practice, and prior to that, was Senior Vice President, Corporate and Energy Banking at Scotiabank. He holds a Bachelor of Arts degree and Masters of Business Administration from Queen's University.

Ms. Chrominska serves as a director of Emera Incorporated, a company which invests in electricity generation, transmission and distribution, as well as gas distribution and utility energy services. She was the Chair of Scotiabank Trinidad and Tobago Limited until 2015 and the Chair of Scotia Group Jamaica Limited until 2016. Ms. Chrominska has over 30 years of experience as a senior executive in the banking sector, and was previously Group Head, Global Human Resources and Communications at The Bank of Nova Scotia, where she had global responsibility for human resources, corporate communications, government relations, public policy and corporate social responsibility. Ms. Chrominska holds a Bachelor of Arts (Honours) degree in Business Administration from the University of Western Ontario and has served on the Dean's Advisory Board at the Richard Ivey School of Business. She received an honourary Doctor of Laws from the University of Western Ontario in 2014.

Mr. Dexter is Chairman and Chief Executive Officer of Maritime Travel Inc., an independent travel agency with over 115 locations across Canada, and the Chairman of the board of directors of the Corporation. He is a director of BCE Inc., the largest communications company in Canada, and High Liner Foods Incorporated, the leading North American processor and marketer of value-added frozen seafood. He is also counsel to the law firm Stewart McKelvey. Mr. Dexter served as a director of Bell Aliant Inc. prior to its acquisition by BCE in 2014, and until 2016 was Chairman of Empire Company Limited and its wholly-owned subsidiary Sobeys Inc. Mr. Dexter holds both a Bachelor's Degree in Commerce and a Bachelor of Laws from Dalhousie University, and was appointed Queen's Counsel in 1995. He was inducted into the Nova Scotia Business Hall of Fame in 2006.

Ms. Bélec is the Co-Founder and Chief Executive Officer of Mosaic Group, LLC, a firm offering outsourced marketing services for brands in Canada, the U.S. and globally. She also serves as a director of APCO Holdings, Inc., a private marketer and administrator of extended vehicle service contracts, warranties and other related products throughout the U.S. She was a director of Industrial Alliance Insurance and Financial Services Inc., one of the largest insurance and wealth management companies in Canada, until 2014. Ms. Bélec has more than 33 years of experience in sales, marketing and customer service. She had an extensive career at Ford Motor Company, holding successively senior positions, including Director, Global Marketing and President and Chief Executive Officer, Volvo Cars N.A. Ms. Bélec went on to hold additional senior roles in the automotive and recreational products sectors, including Vice President and Chief Marketing Officer of Navistar, Inc. and Senior Vice President, Global Brand, Communications and Parts, Accessories and Clothing at Bombardier Recreational Products, Inc. She holds a Bachelor of Business Administration and Commerce degree from the University of Ottawa, and a Masters in Business Administration from Duke University.

Pre-Approval Policies and Procedures

During 2014, the audit committee adopted policies and procedures for the engagement of non-audit services. Pursuant to such policies and procedures, specified non-audit services must be approved by the committee unless the amount of such services does not, in the aggregate, exceed $50,000 in fees per fiscal year, provided that no individual engagement exceeds $25,000. Specified tax services provided by the Corporation's external auditor must also be approved by the committee unless the amount of such services does not, in the aggregate, exceed $50,000 in fees per fiscal year, provided that no individual engagement exceeds $25,000. All other services to be provided by the external auditor which are not specified in the policies and procedures must be pre-approved by the committee, or by the Chairman of the committee, provided that the Chairman may only pre-approve non-audit services up to an aggregate of $50,000 in fees per fiscal year, in addition to the limits discussed above.

External Auditors' Service Fee

Fees paid or accrued by Wajax for services rendered for the years ended December 31, 2018 and December 31, 2017 to KPMG LLP were $1,184.3 thousand and $981.4 thousand respectively.

The nature of each category of fees is as follows:

	Year ended December 31, 2018	Year ended December 31, 2017
	(thousands)	
Audit Fees*	$ 939.8	$ 712.5
Audit Related Fees	$ 190.5	$ 213.1
Tax Fees	$ 54.0	$ 55.8
	$1,184.3	$ 981.4

*Included in 2018 are $100.0 thousand of audit fees related to 2017.

Audit Fees

Audit fees were paid and accrued for professional services rendered by the auditors for the audit of the annual financial statements of Wajax. Audit fees also include fees for reviews on the Corporation's quarterly consolidated financial statements.

Audit Related Fees

Audit related fees were paid for assistance with the adoption of new accounting standards, employee incentive plans, due diligence procedures surrounding the acquisition of Delom and for translation services on financial statements, management's discussion and analysis, press releases and annual reports.

Tax Fees

Tax fees were paid for tax compliance services including the review of interim and final tax returns and other miscellaneous tax queries.

CAPITAL STRUCTURE

The authorized share capital of the Corporation consists of an unlimited number of shares of no par value and an unlimited number of preferred shares of no par value. As of March 21, 2019, the Corporation had 20,159,667 issued and fully paid shares outstanding and had no preferred shares outstanding.

The shares entitle the holder of record to one vote at all meetings of Shareholders. Each share represents an equal beneficial interest in any distributions of the Corporation and in the net assets of the Corporation in the event of its termination or winding-up.

Computershare Investor Services Inc. at its principal offices in Toronto, Ontario, serves as the transfer agent and registrar of the shares.

DIVIDENDS

The Corporation's dividend policy is to pay a quarterly dividend with an initial target amount of $0.25 per share. The Credit Agreement contains provisions which could limit the declaration of dividends. The Corporation is restricted from declaring dividends if: (i) the leverage ratio is greater than 4.00 at the time of declaration of the dividend, and (ii) an event of default exists or would exist as a result of such dividend payment.

Wajax declared and paid the following dividends, on the dates and at the rates shown in 2018:

Period	Record Date	Payment Date	Rate Per Share
March 2018	March 15, 2018	April 4, 2018	$0.2500
June 2018	June 15, 2018	July 4, 2018	$0.2500
September 2018	September 14, 2018	October 2, 2018	$0.2500
December 2018	December 14, 2018	January 3, 2019	$0.2500

Wajax declared and paid the following dividends, on the dates and at the rates shown in 2017:

Period	Record Date	Payment Date	Rate Per Share
March 2017	March 15, 2017	April 4, 2017	$0.2500
June 2017	June 15, 2017	July 5, 2017	$0.2500
September 2017	September 15, 2017	October 3, 2017	$0.2500
December 2017	December 15, 2017	January 3, 2018	$0.2500

Wajax declared and paid the following dividends, on the dates and at the rates shown in 2016:

Period	Record Date	Payment Date	Rate Per Share
March 2016	March 15, 2016	April 4, 2016	$0.2500
June 2016	June 15, 2016	July 5, 2016	$0.2500
September 2016	September 15, 2016	October 4, 2016	$0.2500
December 2016	December 15, 2016	January 4, 2017	$0.2500

MARKET FOR SECURITIES

Trading Price and Volumes

Wajax Shares were listed and traded on the Toronto Stock Exchange under the stock symbol “WJX”.

The price ranges and volume traded on the TSX in 2018 were as follows:

Wajax Corporation				
Month	High ($)	Low ($)	Close ($)	Monthly Volume
January 2018	25.00	22.00	22.23	463,905
February 2018	23.03	20.98	22.52	380,448
March 2018	26.01	21.65	24.36	638,294
April 2018	24.46	22.90	23.66	299,429
May 2018	25.95	23.11	25.06	670,088
June 2018	27.63	24.26	24.90	562,373
July 2018	26.22	23.39	24.68	369,079
August 2018	28.17	24.29	27.69	1,171,550
September 2018	28.00	25.05	26.12	503,306
October 2018	27.31	21.60	23.37	596,052
November 2018	23.80	18.18	19.28	932,528
December 2018	20.18	15.43	16.58	1,005,197

LEGAL PROCEEDINGS

Wajax and its operating subsidiaries are involved from time to time in various claims and litigation which arise in the normal course of business. There are no material legal proceedings currently in process and, to the knowledge of Wajax, there are no material legal claims contemplated.

INTEREST OF EXPERTS

KPMG LLP are the external auditors of the Corporation and have confirmed that they are independent of the Corporation as within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation from January 1, 2018 up to March 21, 2019.

DIRECTORS AND OFFICERS

As at the date hereof, the name, municipality of residence and principal occupation of each of the directors and officers of Wajax is as follows:

Directors

Name and Municipality of Residence	Present Principal Occupation	Year Elected or Appointed
Thomas M. Alford (2)(3) Calgary, Alberta	President, Well Services of Precision Drilling Corporation	2014
Edward M. Barrett (1)(3) Woodstock, New Brunswick	Chairman and Co-CEO, Barrett Corporation, a private holding and management company.	2006
Anne E. Bélec (1)(3) Edgerton, Wisconsin	Chief Executive Officer, Mosaic Group, LLC	2018
Douglas A. Carty (1)(2) Glen Ellyn, Illinois	Corporate Director	2009
Sylvia D. Chrominska (1)(3) Toronto, Ontario	Corporate Director	2015
Robert P. Dexter, Q.C. (1)(4) Halifax, Nova Scotia	Chairman, Wajax Corporation, Chairman and Chief Executive Officer, Maritime Travel Inc., a travel company.	1988
John C. Eby (1)(2) Toronto, Ontario	Corporate Director	2006
A. Mark Foote Burlington, Ontario	President and Chief Executive Officer, Wajax Corporation	2012
Alexander S. Taylor (2)(3) Montreal, Quebec	President, Nuclear of SNC-Lavalin Group Inc.	2009

(1) Member of the Audit Committee, Wajax Corporation
(2) Member of the Governance Committee, Wajax Corporation
(3) Member of the Human Resources and Compensation Committee, Wajax Corporation
(4) Mr. Dexter is an ex-officio member of all Board Committees

Officers

Name	Municipality of Residence	Office Currently Held
A. Mark Foote	Burlington, Ontario	President and Chief Executive Officer
Darren Yaworsky	Calgary, Alberta	Senior Vice President, Finance and Chief Financial Officer
Steve C. Deck	Oakville, Ontario	Senior Vice President, Business Development
Thomas H. Plain	Oakville, Ontario	Senior Vice President, Service Operations
Stuart H. Auld	Toronto, Ontario	Senior Vice-President, Human Resources and Information Systems
Donna Baratto	Milton, Ontario	Vice President, Supply Chain
Cristian Rodriguez	Mississauga, Ontario	Vice President, Environment, Health and Safety
Trevor Carson	Toronto, Ontario	Treasurer and Vice President, Financial Planning and Risk Management
Tania Casadinho	Mississauga, Ontario	Vice President, Finance and Controller
Andrew W.H. Tam	Toronto, Ontario	General Counsel and Corporate Secretary

During the last five years, all the directors and officers of Wajax have held the principal occupation identified above or have been engaged in other executive capacities with the companies indicated opposite their names or with one of their respective affiliates, except as follows:

Alexander S. Taylor prior to his appointment with Wajax in 2009 and prior to joining SNC-Lavalin in 2014, was Senior Group Vice President, Oil, Gas & Petrochemical Business Unit of ABB Inc., a leader in power and automation technologies for the industrial and utility sectors. Mr. Taylor is currently President, Nuclear of SNC-Lavalin Group Inc., a world-leader in the engineering and construction industry.

Steve C. Deck prior to his appointment in 2014 spent the last seven years in senior positions at a mining drilling products and services company. He also has over 20 years of experience in industrial distribution in Canada. As part of the 2016 strategic reorganization, Mr. Deck's position changed from Senior Vice President, Wajax Industrial Components to Senior Vice President, Business Development.

Stuart H. Auld prior to his appointment in 2014 had an extensive career in IT, operations and finance from large multi-divisional and multi-branch organizations.

Thomas Alford prior to his appointment with Wajax in 2014 was most recently the President and Chief Executive Officer of IROC Energy Services. He is currently President, Well Services of Precision Drilling Corporation.

Sylvia D. Chrominska prior to her appointment with Wajax in 2015 had over 30 years of experience as a senior executive in the banking sector and was until her retirement in 2013, Group Head, Global Human Resources and Communications at The Bank of Nova Scotia, where she had global responsibility for human resources, corporate communications, government relations, public policy and corporate social responsibility. Prior to switching to the human resources function, she served as Senior Vice President, Risk in Corporate Credit at Scotiabank. Ms. Chrominska is currently a corporate director.

Thomas H. Plain had been with Wajax for 18 years and over that time had assumed increased responsibilities and was General Manager, Mobile Equipment, Ontario Region prior to his appointment in 2016.

Donna Baratto had been with Wajax for four years and was Director, Supply Chain, Wajax Industrial Components prior to her appointment in 2016. Prior to joining Wajax, Ms. Baratto held various supply chain positions with three large Canadian retailers.

Cristian Rodriguez had been with Wajax for a year prior to his appointment in 2016. Prior to joining Wajax, Mr. Rodriguez was Director of Global Health and Safety at SNC-Lavalin.

Darren Yaworsky is an experienced finance executive with an extensive background in corporate finance, treasury and risk management. Prior to his appointment in 2017, he served as Vice President, Finance and Treasurer at Canadian Pacific Railway and, prior to that, held several senior financial executive roles within the Enbridge Group of Companies, including Treasurer of Enbridge Energy Partners LP and Treasurer of Enbridge Income Fund.

Trevor Carson prior to his appointment in 2017 was Vice President, Capital Markets at Brookfield Renewable Partners. Mr. Carson has an extensive background in corporate finance, financial planning and risk management.

Tania Casadinho prior to her appointment in 2018 worked in the health sciences industries as the Corporate Controller of Iovate Health Sciences International and Director of Financial Reporting at Centric Health Corp., as well as holding several positions within KPMG LLP. Ms. Casadinho has an extensive background in corporate accounting, financial reporting and compliance, operational reporting, treasury and budgeting.

Anne E. Bélec is the co-founder and presently serves as Chief Executive Officer of Mosaic Group, LLC, a firm offering outsourced marketing services for brands in Canada, the United States and globally.

The directors and senior officers of Wajax as a group beneficially own, directly or indirectly, 391,928 or 1.9% of the outstanding shares. The term of office for each person elected or appointed a director is until the next Annual Meeting of Shareholders of Wajax or until his or her successor is elected or appointed.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of Wajax and other than as will be disclosed in the Corporation's Management Information Circular, dated March 21, 2019 and available on SEDAR at www.sedar.com, under the heading "Business of the Meeting – Election of Directors", none of the directors or executive officers of Wajax (a) are, as at the date hereof, or have been, within the 10 years before the date of this circular, a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or 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 (an "**Order**") that was issued while the person was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the person 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, (b) are, as at the date of this circular, or have been within 10 years before the date of this circular, a director or executive officer of any company (including Wajax) 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, or (c) have, within the 10 years before this circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person.

To the knowledge of Wajax, none of the directors or executive officers of Wajax, nor any personal holding company thereof owned or controlled by them, (i) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

MATERIAL CONTRACTS

Other than contracts entered into in the ordinary course of business, there are no material contracts except for the following:

The Credit Agreement
The Credit Agreement is a $400 million facility, dated September 20, 2017, as amended and restated among the Bank of Nova Scotia, as administrative agent, the Bank of Nova Scotia, the Bank of Montreal, the Toronto Dominion Bank and Royal Bank of Canada, as lenders, and Wajax Limited, WIC LP and IDS LP as borrowers. The Credit Agreement is fully secured, and expires on September 20, 2023. Borrowing capacity is dependent upon the level of inventory on hand and the outstanding trade accounts receivable. The facility contains customary restrictive covenants including limitations on the payment of cash dividends and an interest coverage maintenance ratio all of which were met as at December 31, 2018. Wajax is restricted from the declaration of monthly dividends in the event the Corporation's leverage ratio, as defined in the bank credit facility agreement, exceeds 4.0 times. Borrowings bear floating rates of interest at margins over Canadian dollar bankers' acceptance yields, U.S. dollar LIBOR rates or prime. Margins on the facility depend on Wajax's leverage ratio at the time of borrowing and range between 1.5% and 3.0% for Canadian dollar bankers' acceptances and U.S. dollar LIBOR borrowings, and 0.5% and 2.0% for prime rate borrowings.

The Shareholders Rights Plan Agreement
On January 4, 2011, the board of directors adopted a shareholder rights plan (the "Rights Plan") under the Shareholder Rights Plan Agreement dated January 4, 2011 between the Corporation and Computershare Investor Services Inc., as rights agent. At the annual meeting of shareholders of the Corporation held May 10, 2011 (the "2011 Annual Meeting"), the Rights Plan was ratified by a majority of votes cast by the holders of Common Shares who voted in respect thereof and then approved, ratified, confirmed and renewed by shareholders on May 6, 2014 and again on May 2, 2017. The Rights Plan provides that it will continue to be in effect if ratified by a majority of the votes cast by the holders of Common Shares who vote in respect thereof at every third annual meeting of shareholders after the 2011 Annual Meeting at which the Rights Plan was first ratified.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Wajax's securities, and securities authorized for issuance under share compensation plans, is contained in Wajax's Management Proxy Circular dated March 21, 2019 furnished in connection with the Annual Meeting of Shareholders to be held on May 7, 2019. Additional financial information is included in the audited Consolidated Financial Statements, the Management's Discussion and Analysis and notes thereto for the years ended December 31, 2018 and 2017 which are incorporated within Wajax's 2018 Annual Report. Copies of these documents may be obtained upon request from the Secretary of Wajax, 2250 Argentia Road, Mississauga, Ontario, L5N 6A5.

Additional information relating to Wajax may also be found on SEDAR at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Annual Information Form contains certain forward-looking statements and forward-looking information, as defined in applicable securities laws (collectively, "forward-looking statements"). These forward-looking statements relate to future events or the Corporation's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward looking statements can be identified by the use of words such as "plans", "anticipates", "intends", "predicts", "expects", "is expected", "scheduled", "believes", "estimates", "projects" or "forecasts", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward looking statements involve known and unknown risks, uncertainties and other factors beyond the Corporation's ability to predict or control which may cause actual results, performance and achievements to differ materially from those anticipated or implied in such forward looking statements. There can be no assurance that any forward looking statement will materialize. Accordingly, readers should not place undue reliance on forward looking statements. The forward looking statements in this Annual Information Form are made as of the date of this Annual Information Form, reflect management's current beliefs and are based on information currently available to management. Although management believes that the expectations represented in such forward-looking statements are reasonable, there is no assurance that such expectations will prove to be correct. Specifically, this Annual Information Form includes forward looking statements regarding, among other things, our goal of becoming Canada's leading industrial products and services provider, distinguished through our core capabilities; our belief that achieving excellence in our areas of core capability will position Wajax to create value for its customers, employees, vendors and shareholders; and the main elements of our updated Strategic Plan, including our focus on executing clear plans in six important areas: investments in our team, investments in our customers, our organic growth strategy, our acquisition strategy, investments in our infrastructure and refinements to the One Wajax organizational model; our belief that the control deficiencies identified as part of the Finance Reorganization Plan have been rectified and that the Corporation's control environment has been strengthened; our growth and performance expectations for our Targeted Growth, Core Strength and Cyclical/Major Project Opportunity product and service categories; our target leverage ratio range of 1.5 - 2.0 times; our financing, working and maintenance capital requirements, as well as the adequacy of our credit facilities to meet those needs; and our belief that that we have a robust strategy and our confidence in our growth prospects. These statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions regarding the nature and extent of the non-cash accounting errors identified during the transition to our new finance group operating model and subsequent financial review; general business and economic conditions; the supply and demand for, and the level and volatility of prices for, oil, natural gas and other commodities; financial market conditions, including interest rates; our ability to execute our updated Strategic Plan, including our ability to develop our core capabilities, execute on our organic growth priorities, complete and effectively integrate acquisitions, such as Delom, and to successfully implement new information technology platforms, systems and software; our ability to realize the full benefits from our 2016 strategic reorganization, including cost savings and productivity gains; the future financial performance of the Corporation; our costs; market competition; our ability to attract and retain skilled staff; our ability to procure quality products and inventory; and our ongoing relations with suppliers, employees and customers. The foregoing list of assumptions is not exhaustive. Factors that may cause actual results to vary materially include, but are not limited to, the ongoing implementation of our Finance Reorganization Plan, including the ongoing standardization of financial policies, procedures and controls; a deterioration in general business and economic conditions; volatility in the supply and demand for, and the level of prices for, oil, natural gas and other commodities; a continued or prolonged decrease in the price of oil or natural gas; fluctuations in financial market conditions, including interest rates; the level of demand for, and prices of, the products and services we offer; levels of customer confidence and spending; market acceptance of the products we offer; termination of distribution or original equipment manufacturer agreements; unanticipated operational difficulties (including failure of plant, equipment or processes to operate in accordance with specifications or expectations, cost escalation, our inability to reduce costs in response to slow-downs in market activity, unavailability of quality products or inventory, supply disruptions, job action and unanticipated events related to health, safety and environmental matters); our ability to attract and retain skilled staff and our ability to maintain our relationships with suppliers, employees and customers. The foregoing list of factors is not exhaustive. Further information concerning the risks and uncertainties associated with these forward looking statements and Wajax's business may be found under the heading "Risk Factors Relating to Wajax" in this Annual Information Form. The forward-looking statements contained in this Annual Information Form are expressly qualified in their entirety by this cautionary statement. Wajax does not undertake any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

Additional information, including Wajax's Annual Report, are available on SEDAR at www.sedar.com.

APPENDIX A

WAJAX CORPORATION

AUDIT COMMITTEE

CHARTER

1. ROLE OF THE COMMITTEE

The committee's role shall be to assist the board to promote and improve the integrity and objectivity of financial reports.

The committee shall oversee the accounting and financial reporting processes of the corporation and review and recommend for approval by the board the financial statements, MD&A, AIF and earnings news releases.

The committee will manage the relationship between the corporation and its external auditors by overseeing the work of the external auditors and by making recommendations to the board on the engagement, remuneration and termination of the external auditors based on its evaluation of performance.

The committee shall pre-approve all non-audit services the external auditors propose to provide to the corporation.

The committee shall facilitate and maintain open communications among management, the external auditors, the internal auditor and the board.

The committee will provide assistance to the board in fulfilling the Board's oversight responsibility for assessing the principal risks of the business and reviewing options and programs established for their mitigation.

The committee shall be responsible for the discharge of such other duties as may be prescribed by regulation or delegated by the board.

2. MEMBERSHIP

The committee shall be comprised of three or more directors all of whom shall be independent as determined by the board in conformity with the laws, regulations and listing requirements to which the corporation is subject. An independent committee member is one who has no direct or indirect material relationship with the corporation. A material relationship means a relationship which could, as determined by the board, reasonably interfere with the exercise of a member's independent judgement.

The board shall appoint the members of the committee based on the recommendation of the Governance Committee. The Chair of the committee shall be appointed by the board of directors. A quorum shall consist of two directors.

All members of the committee shall in the judgment of the board of directors be “financially literate”. “Financially literate” shall mean the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the corporation’s financial statements.

3. MEETINGS

The committee shall meet at least four times per year and at such other times as any member of the committee deems necessary to fulfill its responsibilities. The corporation’s internal and external auditors will normally be required to attend all meetings. At each regular meeting, the committee shall meet separately with management, the internal auditor and the external auditors to discuss any matters the committee or any of these parties believe should be discussed privately.

4. REPORTING TO THE BOARD

Minutes of all meetings of the committee are to be sent to all board members. All supporting schedules and data received and reviewed by the committee are to be available for examination by any director upon request to the secretary of the committee.

5. AUTHORITY

The committee shall have direct access to all books, records, facilities and personnel of the corporation including to the external and/or internal auditor as it determines this to be advisable. All employees are to cooperate as requested by committee members.

The committee shall have the authority to retain persons having special expertise in legal, accounting or other matters as it determines to be necessary to assist it in discharging its responsibilities. The committee shall have the authority to set and pay the compensation of any advisors it engages.

The board of directors may authorize the committee to investigate any activity of the corporation.

6. RESPONSIBILITIES

In the discharge of its role, the committee will have the responsibility to:

(a) recommend to the board the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the corporation and the compensation of the external auditors;
(b) oversee the work of the external auditor engaged for the purpose in (a), including the resolution of disagreements between management and the external auditor regarding financial reporting;
(c) confirm the external auditors are participants in good standing with the Canadian Public Accountability Board;
(d) review the external auditor engagement letter, confirm the direct reporting and accountability of the auditors to the audit committee and through the committee to the board of directors as representatives of the shareholders;
(e) pre-approve any non-audit services to be provided by the external auditors and generally assess the independence of the external auditors having reference to the Independence Standards of the CICA; the pre-approval requirement will be satisfied if

the committee adopts specific policies and procedures for the engagement of the non-audit services, if (a) the pre-approval policies and procedures are detailed as to the particular service; (b) the audit committee is informed of each non-audit service; and (c) the procedures do not include delegation of the committee's responsibilities to management.

(f) ensure the rotation of the lead audit partner and/or the audit partner responsible for reviewing the audit as required by law;

(g) review and approve the corporation's hiring policies regarding employees or persons previously employed by the present or former external auditors;

(h) review the scope of the external auditors' audit plan and the procedures to be utilized with the external auditors and with management.

(i) review with management and with the external auditors all major accounting policies and practices adopted, any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting;

(j) question management regarding significant variances between comparative reporting periods;

(k) review with management and the external auditors and recommend to the board the audited annual financial statements and the quarterly financial statements of the corporation;

(l) question management and the external auditors regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(m) review any restrictions imposed by management in performing the external audit or significant accounting issues on which there was a disagreement with management;

(n) review the post-audit or management letter, containing the recommendations of the external auditors, and management's response and subsequent follow up to any identified weakness;

(o) review and recommend for the approval by the board the corporation's financial statements, Annual Information Form, Management's Discussion & Analysis reports, news releases and any earnings guidance and all public disclosure documents containing audited or unaudited financial information before release;

(p) ensure adequate procedures are in place for the review of the corporation's public disclosure of financial information extracted or derived from the corporation's financial statements, other than the public disclosure referred to in 6 (o), and periodically assess the adequacy of these procedures;

(q) review the terms of reference of the internal auditor, the adequacy of internal audit resources and the effectiveness of the internal audit function;

(r) review the audit plan and quarterly reports issued by the internal auditor and management's response and subsequent follow up to any identified weakness;

(s) review with management significant risk exposures and the steps taken to identify and manage such exposures, approve policies or procedures to manage or mitigate such risks insofar as they fall within the purview of the committee, and report issues or refer policies or procedures for board or other committee approval as considered appropriate;

(t) review the appointments of the chief financial officer and any key financial executives involved in the financial reporting process;

(u) review with management the status of any material pending or threatened litigation;

(v) review the adequacy and quality of the insurance coverage maintained by the corporation;

(w) inquire of the CEO and CFO as to the corporation's disclosure controls and procedures and as to the existence of any significant deficiencies in the design or operation of internal controls and any fraud that involves employees who have a significant role in the corporation's internal controls;

(x) review the status of compliance with laws and regulations and the scope and status of systems designed to ensure compliance therewith and receive reports from management, legal counsel and other third parties as determined by the committee on such matters, as well as major legislative and regulatory developments which could impact the corporation’s contingent liabilities and risks;

(y) review the corporation’s tax strategy, including its tax planning and compliance with applicable tax laws, such review to occur annually, or at such other interval as the committee may determine appropriate;

(z) review expenses charged to the corporation by the Chairman and by the CEO; and

(aa) establish procedures for (1) the receipt, retention, and treatment of complaints received by the corporation regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

(bb) appoint auditors for the registered pension plans sponsored by Wajax Limited and approve the audited financial statements of the plans.

7. BUSINESS CONDUCT POLICIES

The committee will review and reassess annually the adequacy of the corporation’s Code of Business Conduct and its Statement of Policies and Procedures with respect to Confidentiality, Insider Trading and Tipping, Disclosure and Insider Reporting.

Each year, directors, officers and designated employees will be required to provide a written representation that they have complied with the corporation’s Code of Business Conduct. The committee will annually receive and review a compliance acknowledgement report from the internal auditor in respect of the Code of Business Conduct.

8. ALLOCATION OF RESPONSIBILITIES

Management is responsible for operating the business of the corporation and for its internal controls and the financial reporting process. The external auditors are responsible for performing an independent audit of the corporation’s consolidated financial statements in accordance with generally accepted auditing standards and for issuing a report thereon. The external auditors shall report and be accountable to the committee and through the committee to the board of directors as representatives of shareholders. The committee’s responsibility is to monitor and oversee these processes on behalf of the board. The committee is not charged with the duty to plan or conduct audits or to determine that the corporation’s financial statements are complete and accurate and in accordance with generally accepted accounting principles.

The existence of the committee and the delegation to it of certain powers and duties by the board of directors does not relieve individual members of the board of directors from the responsibility of satisfying themselves that the affairs of the corporation are being properly conducted.

Management is responsible for the identification and management of the corporation’s risks and the development and implementation of policies and procedures to mitigate such risks. The committee’s role is to assist the board in providing oversight to ensure the corporation’s assets are protected and safeguarded within reasonable business limits.

9. COMPLAINTS

Concerns or complaints submitted to management pursuant to procedures set forth in the Code of Business Conduct or otherwise received by an employee of the corporation, including but not restricted to concerns and complaints which relate to accounting, internal accounting controls or audit matters, shall be referred to the General Counsel and Secretary and through the General Counsel and Secretary to the Chief Financial Officer and to the Chairman of the committee. The committee shall deal with all such internal complaints relating to such matters.

No reprisal, retaliation or disciplinary action shall be taken against employees for reporting, in good faith, such concerns. The General Counsel and Secretary shall, if requested by the complainant, keep the identity of the complainant in confidence to the extent appropriate or permitted by law.

10. CHAIR POSITION DESCRIPTION

Responsibilities of the Chair include the following:

(a) Preside as chair at all meetings of the committee.

(b) Facilitate the effective operation and management of, and provide leadership to, the committee.

(c) Develop the agenda for each meeting of the committee and bring forward for consideration matters within the mandate of the committee.

(d) Take all reasonable steps to ensure that committee decisions are implemented.

(e) Facilitate the committee's interaction with management, the board and other committees of the board.

(f) Report to the Board on committee activities and issues.

(g) Perform such other duties and responsibilities as may be delegated to the Chair by the committee from time to time.

11. ANNUAL REVIEW

The committee shall review the adequacy of this Charter on an annual basis and recommend any changes to the board.