

POINTS INTERNATIONAL LTD.

NOTICE OF MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting (the “**Meeting**”) of shareholders of POINTS INTERNATIONAL LTD. (the “**Corporation**”) will be held at the Hyatt Regency Toronto, Studio C, 370 King Street West, Toronto, ON M5V 1J9, on May 8, 2014, at 9:00 a.m. (Eastern Time) for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for its financial year ended December 31, 2013 and the report of the auditors thereon;
2. to elect directors to hold office until the next annual meeting of shareholders or until their respective successors are elected or appointed; and
3. to appoint KPMG LLP as the auditors of the Corporation until the next annual meeting of shareholders and authorize the directors to fix the auditors' remuneration.

Only shareholders of record at the close of business on March 31, 2014 will be entitled to notice of and to vote at the Meeting.

If your common shares are held in a brokerage account or otherwise through an intermediary you are a non-registered shareholder and a Voting Instruction Form was mailed to you with this package. The Voting Instruction Form contains instructions on how to vote your common shares. If your common shares are held in your own name you are a registered shareholder and are requested to vote your shares in accordance with the instructions on the accompanying form of proxy for use at the Meeting, whether or not you are able to attend personally.

All instruments appointing proxies must arrive no later than 9:00 a.m. (Eastern Time) on May 6, 2014, provided however, that the chairman of the meeting may, in his sole discretion, accept proxies delivered to him up to the time when any vote is taken at the meeting or any adjournment thereof, or in accordance with any other manner permitted by law. The proxy cut-off time may be waived by the Chairman of the Board, in his sole discretion without notice.

DATED at Toronto, Ontario, this 5th day of March, 2014.

By Order of the Board of Directors



Robert MacLean
Chief Executive Officer

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POINTS INTERNATIONAL LTD.

MANAGEMENT INFORMATION CIRCULAR

This management information circular (also referred to herein as this “**Circular**”) is furnished in connection with the solicitation by, or on behalf of, the management of Points International Ltd. (the “**Corporation**” or “**Points**”) of proxies to be used at the annual meeting (the “**Meeting**”) of the shareholders of the Corporation to be held at the Hyatt Regency Toronto, Studio C, 370 King Street West, Toronto, ON M5V 1J9, on May 8, 2014, at 9:00 a.m. (Eastern Time) or at any adjournment(s) or postponement(s) thereof, for the purposes set out in the accompanying notice of meeting. The Corporation’s board of directors (the “**Board**”) has fixed the close of business on March 31, 2014 as the record date (the “**Record Date**”), being the date for the determination of the shareholders entitled to notice of and to vote at the Meeting, and any adjournment or postponement thereof. Unless otherwise stated, all amounts listed in this Circular are expressed in United States Dollars.

The Meeting has been called for the purposes of considering and voting on the annual business of the Corporation, which includes the election of directors to the Board and the appointment of the Corporation’s auditors.

THE BOARD RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE DIRECTORS NOMINATED IN THIS CIRCULAR AND FOR THE APPOINTMENT OF KPMG LLP AS AUDITORS.

Dated March 5th, 2014

BUSINESS OF THE MEETING

ELECTION OF DIRECTORS

The present term of office of each current director will expire immediately prior to the election of directors at the Meeting. The number of directors to be elected at the Meeting is seven and these directors will serve until the next annual meeting of shareholders or until a successor is elected or appointed. **Unless authority to do so is withheld, the shares represented by the proxies in favour of management proxyholders will be voted in favour of the election of the persons whose names appear below as directors of the Corporation.** Although the Board is not aware of any nominee who would be unwilling or unable to serve if elected, should any nominee be unwilling or unable to serve as a director of the Corporation, the persons named in the form of proxy reserve the right to nominate and vote for another nominee at their discretion.

The election of directors will be by individual voting and not by slate voting. The Corporation has not adopted a majority voting policy. The practice of the Corporation is to elect directors in accordance with applicable law and stock exchange listing requirements.

The following table provides certain background information with respect to each nominee for the Board. Detailed biographies for each director are provided below.

Name Place of Residence	Director Since	Current Principal Occupation	Common Shares¹
Christopher Barnard (Ontario)	May, 2007 (and Feb. 2000 to Apr., 2005)	President, Points International Ltd. and Points.com Inc.	155,983
Michael Beckerman (Ontario)	May, 2010	President, Ariad Custom Communications	8,600
Bernay Box (Texas, U.S.A.)	May, 2009	President of Bonanza Fund Management, Inc. and investment advisor for Bonanza Master Fund, Ltd.	915,725
Douglas Carty (Illinois, U.S.A.)	February, 2002	Corporate Director	33,500
Bruce Croxon (Ontario)	October, 2008	Investor and Advisor	14,621
Robert MacLean (Ontario)	February, 2002	Chief Executive Officer, Points International Ltd. and Points.com Inc.	166,320
John Thompson (Ontario)	February, 2002	Corporate Director	160,223

¹Includes shares beneficially owned, or controlled or directed, directly or indirectly by each director.

Director Biographies

Christopher Barnard

Mr. Barnard is a founder of the Corporation. As President of Points and its subsidiary Points.com Inc., Mr. Barnard is responsible for corporate strategy and corporate development. Mr. Barnard has been instrumental in raising capital for the Corporation, including strategic investments from both CIBC Capital Partners and InterActive Corp/IAC, a New York based, NASDAQ 100 leading internet firm. Additionally, in 2004, he managed the acquisition of Points' major competitor. Mr. Barnard has also been instrumental in developing significant commercial relationships and key strategic partnerships with various parties. He has also held various interim operating positions at the Corporation including Chief Financial Officer and Vice President of Product Development and Marketing.

In 1998, Mr. Barnard co-founded Canada's first internet business incubator, Exclamation International, from which the Corporation was created. Prior to Exclamation, Christopher was with HDL Capital, a Toronto boutique merchant bank. While at HDL he assisted a number of companies in entering the public markets, including Bid.com which was, at the time, one of Canada's most notable internet technology stories.

Since 2002 Mr. Barnard has served on the Board of Directors of Telmetrics Inc. Telmetrics Inc. provides marketers, agencies & publishers across North America innovative call-measurement solutions to help them maximize the effectiveness of their marketing programs. Telmetrics tracks and analyzes consumer response to any direct response broadcast, online or print campaign that features a call-to-action response phone number. Telmetrics Inc. was named one of Canada's 50 Best Managed Companies from 2003 – 2006.

Mr. Barnard holds a Masters of Business Administration degree from the Richard Ivey School of Business in London, Ontario.

Michael Beckerman

Mr. Beckerman's sales and marketing career spans over twenty years, three continents and several industries. During this time he has worked on both the client and agency side of the business.

His experience has included senior roles in Canada, Europe and Asia, and culminated with responsibility for NIKE's key U.S. retailers. Based in Hong Kong, Mr. Beckerman was responsible for the marketing of the NIKE brand across Asia-Pacific with a specific emphasis on advertising, promotions and sponsorship. He also served as Marketing Director for NIKE Germany and Director of Advertising for Europe and was at the helm when NIKE was named Brand of the Year. He later took over responsibilities for NIKE's European retail efforts.

Following NIKE, Mr. Beckerman served as Vice President, Marketing for Canadian Airlines. He led a comprehensive rebranding effort that touched everything from employee engagement, market research, product development and brand identify systems prior to heading up Marketing and International expansion for e-commerce site MVP.com. This was a high profile company that had Michael Jordan, Wayne Gretzky and John Elway as lead investors. Mr. Beckerman and his team were some of the pioneers of on-line metrics around basket size, cost per acquisition and on-line customer experience metrics. The MVP.com brand and web-site design and development are still used as benchmarks in the industry.

In 2001, Mr. Beckerman took on the role of Chief Marketing Officer for Bank of Montreal. He was responsible for increasing the marketing orientation and customer focus throughout that organization. While there, reporting to the CEO, he led the development of new brand identities for both its Canadian and U.S. operations which involved more than 1,000 retail locations and over 30,000 employees.

Mr. Beckerman is currently the President of Ariad Custom Communications where they have enjoyed record growth since he took over this role three years ago. Ariad is an agency specializing in branding and on-line communications. They have won numerous domestic and International awards and Ariad was recently named as one of the Top Places to Work in Canada.

Mr. Beckerman is a sought after speaker on marketing trends, branding and consumer behaviour. He is a frequent judge for industry events and asked to sit on numerous industry panels. He also enjoys taking his marketing experience to help some charities and foundations sharpen their strategic focus, clearly articulate their cause and generate more funds for their charity.

Bernay Box

Mr. Box was appointed as a director of the Corporation in May of 2009 and is currently the Chairman of the Board of Directors and a member of the Audit Committee and the Human Resources and Corporate Governance Committee.

Mr. Box is the President and Chief Executive Officer of Bonanza Fund Management, Inc. and the managing partner of Bonanza Capital, Ltd, a private investment partnership based in Dallas, Texas. Mr. Box has over 25 years of investment experience. Bonanza Capital managed over half a billion dollars for some of the largest financial institutions, wealthiest families and most prestigious non-profit organizations in the country. Focusing on smaller capitalization companies, Bonanza earned a reputation for finding and investing in companies well before their intrinsic value became noticed by Wall Street.

Mr. Box is a graduate of Baylor University.

Douglas Carty

Mr. Carty is a long serving director of the Corporation. He was Chairman of the Board of the Corporation from 2002 through 2007 and is currently Chairman of the Corporation's Audit Committee.

Mr. Carty is currently Chairman and Co-Founder of Switzer-Carty Transportation Inc., a Burlington, Ontario based provider of school bus services.

Mr. Carty is also a Director of Wajax Corporation where he serves on the Audit and Human Resources and Compensation Committees and YRC Worldwide Inc. where he serves on the Finance, Audit and Governance Committees.

Mr. Carty previously served at Laidlaw International Inc. as Chief Financial Officer and subsequently as President and Chief Executive Officer of its school bus subsidiary. Prior to Laidlaw, Mr. Carty served as Chief Financial Officer of Atlas Air Worldwide Holdings Inc. and Canadian Airlines Corporation.

Mr. Carty holds a Masters of Business Administration from the University of Western Ontario and a Bachelor of Arts (Honours) from Queens University.

Bruce Croxon

Mr. Croxon has served as a director of the Corporation since October of 2008 and is a member of the Corporation's Human Resources and Corporate Governance Committee.

Mr. Croxon was a founder of Lavalife, a category leader and internationally recognized brand in the online dating industry. He was instrumental in growing the company to just under \$100 million in revenue and was CEO when the company was sold to Vertrue, Inc. in 2004 and remained CEO until midway through 2006.

Mr. Croxon has since been active as both an investor and advisor in early stage companies in the technology and hospitality sectors. He is currently the Managing Partner of Round13 Capital, a fund that invests in early stage digital businesses in Canada. He is also active in a number of charities including as a director of the Trans Canada Trail and as a National Spokesperson for Anaphylaxis Canada.

Robert MacLean

Mr. MacLean is a founder of the Corporation and has served as Chief Executive Officer of the Corporation since February 2000. As CEO, Mr. MacLean champions the vision for the Corporation and directs an exceptional team of executives. Mr. MacLean has led his team to deliver a suite of innovative technology solutions, earning a growing number of partnerships with the world's leading loyalty programs.

Prior to founding the Corporation, Mr. MacLean recorded an impressive list of leadership roles and achievements during 12 years in the airline and loyalty industry. As Vice President, Sales with Canadian Airlines, Mr. MacLean led a team of over 250 employees throughout North America, delivering over \$2 billion in annual revenue. Mr. MacLean was also responsible for the airline's award-winning Canadian Plus loyalty program. In that role, he led his team to double the program's revenues in just two years, to over CDN\$120 million, as he repositioned it from a frequent flyer program to a broader loyalty program with over 100 partner relationships. His strong leadership was reflected in a dramatic turnaround in customer satisfaction levels for the Canadian Plus program. Mr. MacLean also served as Canadian Airline's senior representative on the Oneworld™ Alliance's Customer Loyalty Steering Committee.

Mr. MacLean is an active member of the global loyalty community and speaks frequently at industry events worldwide.

Mr. MacLean is a past member of the board of directors of Hope Air. Hope Air is a national charity that helps Canadians get to medical treatment when they cannot afford the flight costs.

Mr. MacLean is a graduate of Acadia University.

John Thompson

Mr. Thompson is a long serving director of the Corporation. He is currently Chairman of the Human Resources and Corporate Governance Committee and a member of the Audit Committee.

Mr. Thompson has 28 years of executive experience with a range of private and public companies.

From 1999 to 2003, Mr. Thompson was a managing director of Kensington Capital Partners, the investment and advisory firm that did the first fund raise for Points in September 2000. At that time Mr. Thompson made his first investment in Points and has held it since.

Prior to joining Kensington, Mr. Thompson spent more than twenty years with Loblaw Companies Limited, Canada's leading grocery chain, last serving as Executive Vice President and prior to that as Senior Vice President, Finance and Administration. Mr Thompson's responsibilities at Loblaws included, amongst other things, responsibility for human resources and President's Choice, one of the largest, most recognised and most profitable brands in Canada.

Mr. Thompson is currently a member of the Governing Council of the Sunnybrook Foundation, the fundraising foundation for Sunnybrook Hospital, a premier academic health sciences centre in Canada, that is fully affiliated with the University of Toronto. He is a past member of the Board of Governors and Chairman of the Finance Committee of The Corporation of Roy Thomson Hall and Massey Hall, two of Canada's finest concert venues.

Mr. Thompson holds an Honours Business Administration degree from the Richard Ivey School of Business at the University of Western Ontario. Mr. Thompson is also a Chartered Accountant.

Additional Disclosure Relating to Directors

Common Directorships

As of March 31, 2014, none of the proposed Board nominees serve on the same board of directors of a publicly listed company.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of Points, no director nominee is, or within the last 10 years has been, a director, chief executive officer or chief financial officer of any company that: (a) while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days, or (b) was subject to a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after that person ceased to be a director, chief executive officer or chief financial officer, but which resulted from an event that occurred while that person was acting in that capacity.

To the knowledge of Points, no director nominee is, or within the last 10 years has been, a director or executive officer of any company that, while the individual 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.

APPOINTMENT OF AUDITORS

Management proposes to nominate KPMG LLP as the auditors of the Corporation to hold office until the close of the next annual meeting of shareholders, and proposes that the shareholders authorize the directors to fix the remuneration of the auditors. KPMG was first appointed as auditors of the Corporation on June 9, 2011. **The shares represented by proxies in favour of management proxyholders will be voted in favour of the appointment of KPMG LLP as auditors of the Corporation, to hold office until the next annual meeting of shareholders and the authorization of the directors to fix the remuneration of the auditors, unless authority to do so is withheld.**

A copy of the financial statements of the Corporation for the fiscal year ended December 31, 2013 has been made available to the shareholders of the Corporation.

EXECUTIVE COMPENSATION

Compensation Governance

The Board has oversight responsibility for the structure of the Corporation's compensation strategy as well as the total compensation of the members of the Board and the Chief Executive Officer of the Corporation. The Human Resources and Corporate Governance Committee (the "HRCGC") is responsible for assisting the Board in discharging its oversight responsibilities relating to compensation and for overseeing the matters described below.

The HRCGC is composed entirely of independent directors. The members of the HRCGC are: Mr. John Thompson (Chair), Mr. Bernay Box and Mr. Bruce Croxon. The general background, skills and experience of the members of the HRCGC are set forth above under the section entitled "**Director Biographies**". All of the members of the HRCGC have significant direct experience with human resources and executive compensation.

In addition to making recommendations to the Board in connection with its oversight responsibility, the HRCGC is specifically responsible for:

- developing and/or reviewing the Corporation's human resources and compensation policies and programs for attracting, retaining, developing and motivating employees including executive officers;
- producing an annual report on executive compensation for inclusion in the Corporation's annual management proxy circular, in accordance with applicable rules and regulations;
- reviewing and assessing the management of succession and development plans for senior management and people and knowledge strategies;
- assisting Board oversight of the Corporation's compliance with employment related legal and regulatory requirements;
- assisting the Board in identifying, recruiting and nominating suitable candidates to serve on the Board;
- assuming responsibility for developing the Corporation's approach to governance issues in compliance with all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Committee may consider appropriate; and
- reviewing the adequacy and form of the compensation of the executive leadership team and ensuring that the compensation realistically reflects the responsibilities and risks of such positions.

The HRCGC has the authority to seek information it requires from any employee of the Corporation. The committee also has the power to retain a consulting firm to provide advice regarding the Corporation's compensation strategy and programs, and to retain outside legal counsel and any other advisers as the committee may deem appropriate. The HRCGC and its Chairman are appointed by the Board. Committee members meet regularly without any member of management present.

Risk Management

The Board has oversight responsibility for risks associated with the Corporation's compensation policies and practices as part of its broader risk oversight mandate. The HRCGC is responsible for identifying, assessing and ensuring the appropriate management of any risks created by the Corporation's compensation policies and practices. The Board exercises its oversight responsibility through an annual review and approval of the total compensation of the CEO of the Corporation and through review and approval of any changes in the structure of the Corporation's compensation strategy. The HRCGC

exercises its risk assessment responsibility through an annual review of the form of the compensation of senior management of the Corporation, including the elements and quantum of such compensation.

The HRCGC has not identified any risks arising from the Corporation's compensation policies and practices that are reasonably likely to have a material adverse effect on the company. In particular, the Corporation's compensation structure has been designed to ensure that employees do not take inappropriate or excessive risks. The Corporation's compensation structure contains a mix of long and short-term elements using a combination of annual base salary, annual cash bonus opportunities and long-term equity incentives. Annual cash bonuses are paid out on achievement of objective performance goals tied to corporate financial performance and individual operational goals that support achievement of the Corporation's business plan. The Corporation's long-term equity incentive program is in the form of time vested equity awards that encourage the creation of shareholder value by incenting management and employees to create sustainable growth.

Financial Instruments

Although the Corporation has not adopted a policy forbidding the named executive officers (as defined in Form 51-102F6 to National Instrument 51-102 and also referred to herein as the "NEOs") and directors from purchasing financial instruments relating to the Corporation's shares, the Corporation is not aware of any such person having entered into this type of transaction.

Executive Compensation Review

An Executive Compensation Review and Benchmarking was conducted by Towers Watson (TW) in 2011 using TW 2010 executive compensation data bank for general industry comparator. The general industry sample is the primary reference point and comprises of companies reasonably similar in size, business diversity/complexity. Points executive compensation was benchmarked at the 50th percentile for total target compensation and 75th percentile for outstanding performance. The Executive Compensation Review also included using select industry 2011 proxy circulars. The names of select industry companies that were used in the review include Groupe Aeroplan Inc, Macdonald Dettwiler & Associates Ltd, Mitel Networks Corp., Constellation Software Inc, Coastal Contacts Inc, The Knot, Inc., Travelzoo Inc, Cyberplex Inc, OpenTable, Inc., Enghouse Systems Ltd and Bridgewater Systems Corporation.

Compensation Discussion and Analysis

The objectives of the Corporation's compensation program for the NEOs are to: (i) attract, motivate and retain high performing senior executives, (ii) align the interests of the NEOs with those of the Corporation's shareholders, (iii) establish an objective connection between NEO compensation and the Corporation's financial and business performance, and (iv) incent the NEOs to continuously improve operations and execute on corporate strategy. The NEO compensation program is therefore designed to reward the NEOs for: (i) increasing shareholder value, (ii) achieving corporate performance that meets pre-defined objective criteria, and (iii) improving operations and executing on corporate strategy.

The NEO compensation program consists of three components: (i) base salary, (ii) short-term incentives, and (iii) long-term incentives. Each component has a different function, as described below, but all elements work together to reward the NEOs appropriately for personal and corporate performance.

Base Salary

Base salaries are considered an essential element in attracting and retaining the Corporation's senior executives and rewarding them for corporate and individual performance. Base salary is determined using the following considerations: (i) the median salary offered for a comparable position at comparable companies, (ii) the Corporation's recent financial and business performance, (iii) recent individual performance, and (iv) retention.

Corporate and personal performance is assessed using the same criteria discussed below for the Corporation's short-term incentive plan.

Base salaries are reviewed annually and any increase to the CEO's base salary must be specifically approved by the HRCGC and by the Board as part of its oversight over the total compensation paid to the CEO. The CEO is responsible for determining and approving any increase in salary for the other NEOs.

Short-Term Incentives

Bonus Plan

In 2012, the Corporation adopted a new annual incentive program to provide all employees, including the NEOs, with the opportunity to receive annual cash bonuses based on operational goals and corporate performance. The bonus program is designed to align the financial interests and personal motivations of employees with the interests of the Corporation which are represented by measurable performance measures.

Each NEO is eligible to receive an annual bonus amount under the bonus plan equal to a percentage of base salary. The annual percentage bonus level for each NEO is based on the achievement of certain team performance goals for that NEO and corporate performance goals that are common to all of the NEOs. Performance of each goal is measured relative to a target level and payout on that goal is based on actual performance relative to the target level. Each NEO has an overall target bonus level as a percentage of salary and each goal is weighted based on its relative importance. For 2013, the overall target bonus level for the NEOs is set forth in the table below:

Name	Bonus Level as % of Salary
Robert MacLean	50
Christopher Barnard	40
Anthony Lam	35
Peter Lockhard	40
Dave Simons	35

For 2013, each NEO's bonus was based on achievement of a basket of weighted performance goals comprised of certain operational performance goals within their functional area of responsibility and internal corporate performance measures.

Stretch Equity Plan

On March 22, 2010, each NEO was provided with a special grant of options under the Corporation's Option Plan (defined below). Each grant was granted at market value on the date of grant and has a term

of five years. The vesting of the grants is to be determined by the Board on an annual basis. To the extent any options remain unvested in respect of a particular financial year, they are available for vesting in the next financial year, up to and including the 2014 fiscal year. In 2012, the Board vested 50% of each NEO grant.

Long-Term Incentives

Stock Option Plan

All NEOs are eligible for stock option grants under the Corporation's Option Plan (defined and discussed below under the section “**Securities Authorized for Issuance under Equity Compensation Plans**”). Participation in the Option Plan is considered to be a critical component of compensation that incents the NEOs to create long-term shareholder value. The Option Plan is also considered to be a critical element in attracting, motivating and retaining senior executives.

Each NEO is eligible for an annual option grant that is approved by the Board, based on the recommendation of the HRCGC. The number of stock options granted to NEOs is based on a percentage of base salary. Previous grants of stock options to an NEO are taken into account when considering new grants.

Standard stock option awards under the Option Plan are granted at market value, vest in equal parts over three years and expire on the fifth anniversary of the grant date. All NEO option grants immediately vest in full on a change in voting control of the Corporation. From time to time, stock option awards are granted with non-standard terms to achieve certain objectives.

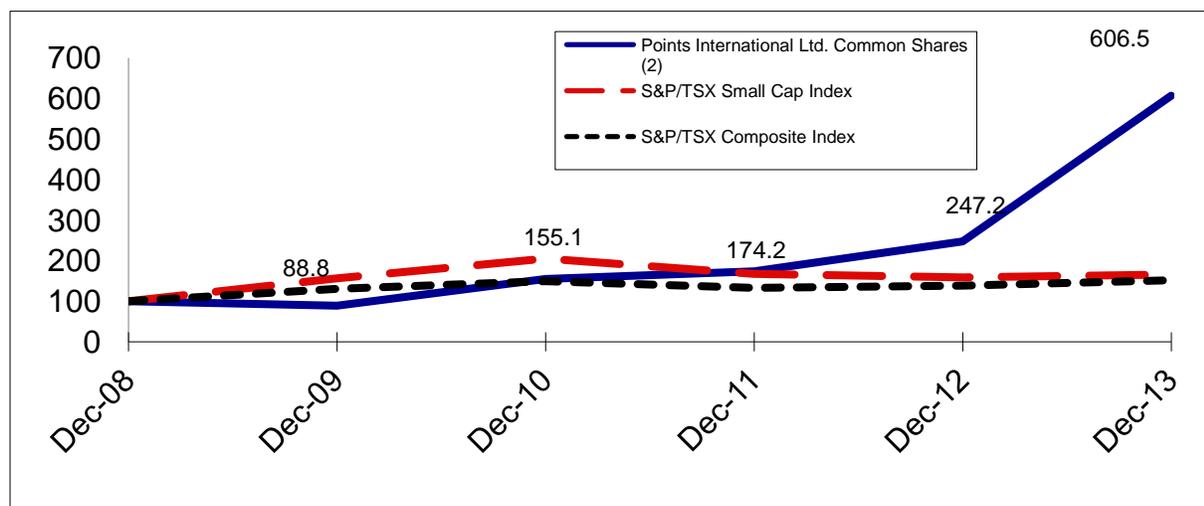
Employee Share Unit Plan

All NEOs are eligible for grants under the Corporation's Employee Share Unit Plan (the “**ESUP**”). The ESUP has been established to: (i) promote alignment of interests between employees and the shareholders of the Corporation; (ii) associate a portion of employees' compensation with the returns achieved by shareholders of the Corporation; (iii) attract and retain employees with the knowledge, experience and expertise required by the Corporation, and (iv) provide employees with a total compensation which is competitive with that of those in similar positions where the Corporation competes for talent. The Board administers the ESUP. Grants to NEOs under the ESUP are based on a percentage of base salary and the participant receives a number of share units equal to the grant value divided by the market value of the common shares of the Corporation on the date of grant. On vesting, share units are settled through common shares delivered from a share purchase trust. The Corporation funds the share purchase trust with sufficient cash to enable the trust to purchase in the open market the common shares necessary to satisfy the grants made to participants. No common shares are issued from treasury in connection with the ESUP. The trustee of the share purchase trust is Computershare who acts as an independent third party and administers the assets of the trust.

Standard ESUP grants vest in full on the third anniversary of the grant date. All NEO ESUP grants immediately vest in full on a change in voting control of the Corporation. From time to time, ESUP awards are granted with non-standard terms to achieve certain objectives.

Performance Graph

The following graph and table below compares the total cumulative shareholder return for the common shares with the cumulative returns of two TSX indices for the same period, for the five most recently completed financial years, assuming an initial investment in common shares of CDN\$100 on December 31, 2008.



	Dec. 31, 2008	Dec. 31, 2009	Dec. 31, 2010	Dec. 31, 2011	Dec. 31, 2012	Dec. 31, 2013
Common Shares	100.0	88.8	155.1	174.2	247.2	606.5
S&P/TSX Small Cap Index	100.0	156.2	205.1	167.4	159.2	166.1
S&P/TSX Composite Index	100.0	130.7	149.6	133.0	138.3	151.6

The NEOs direct compensation is not based on performance of the Company's share price and therefore the NEOs total compensation may not compare to the trends shown in the graph above. The share price has increased by six times from 2009 to 2013 and during this time period NEO total compensation has only recently been increased to reflect market competitive compensation for similarly situated companies.

Summary Compensation Table

The following table sets forth the total compensation paid in respect of the NEOs for the fiscal years ended on December 31, 2011, December 31, 2012 and December 31, 2013.

Name, Principal Position	Fiscal Year	Salary ¹ (\$)	Share-based awards ² (\$)	Option-based awards ³ (\$)	Annual non-equity incentive plan ⁴ (\$)	Other ⁵ (\$)	Total (\$)
Robert MacLean, Chief Executive Officer	2013	412,914	82,583	247,748	126,505	11,790	881,540
	2012	380,228	38,023	218,340	40,462	5,703	682,756
	2011	384,542	Nil	35,434	41,690	Nil	461,666
Christopher Barnard, President	2013	310,220	38,778	116,333	69,045	9,273	543,649
	2012	310,186	31,019	85,055	63,768	4,653	494,681
	2011	289,418	Nil	35,434	3,341	Nil	328,193
Anthony Lam, Chief Financial Officer	2013	248,676	49,735	49,735	71,268	7,433	426,847
	2012	248,649	24,865	24,865	56,479	3,730	358,588
	2011	242,869	Nil	Nil	33,134	Nil	276,003
Peter Lockhard, Chief Operating Officer	2013	275,195	55,039	55,039	68,015	8,226	461,514
	2012	275,165	27,517	27,517	27,022	4,127	361,348
	2011	266,144	Nil	Nil	33,494	Nil	299,638
David Simons, Chief Technology Officer	2013	242,171	48,434	48,434	69,721	7,239	415,999
	2012	242,145	336,652	24,215	45,679	3,632	652,323
	2011	232,749	Nil	Nil	31,111	Nil	263,860

Notes:

- Salaries are set and paid in Canadian Dollars and were converted in the table above into US Dollars using the average exchange rate for the year in which they were paid.
- Standard share-based awards are granted as a dollar amount based on a percentage of base salary and are accounted for using the same value. Grant values for share-based awards are calculated in Canadian Dollars and converted in the table above into US Dollars using the average exchange rate for the year in which they were granted.
- For 2012 and 2013, option-based awards were granted as dollar amounts based on a percentage of base salary and accounted for using the same value. Grant values for these option-based awards were calculated in Canadian Dollars and converted in the table above into US Dollars using the average exchange rate for the year in which they were granted.
- 2013 Bonuses were paid in Canadian Dollars in the first quarter of 2014 and were converted in the table above to US Dollars using the average exchange rate for the year for which they were earned.
- In 2012, the Corporation established a deferred profit sharing plan for all of its employees including the NEOs. Amounts paid into the plan are paid in Canadian Dollars and were converted in the table above into US Dollars using the average exchange rate for the year in which they were paid.
- Dave Simons received a special grant of 25,000 restricted share units in May of 2012 that was in addition to the standard grants made to the NEOs in March of 2012.

Outstanding Option-Based Awards

The following table sets forth all outstanding stock option awards granted to the NEOs as of December 31, 2013. All awards were granted under standard terms unless otherwise noted.

Name	Number of securities underlying unexercised options (#)	Option exercise price (CDN\$)	Option expiration date	Value of unexercised in-the-money options¹ (\$)
Rob MacLean	8,250	4.60	March 22, 2015 ²	180,364
	35,351	9.74	March 19, 2017	595,432
	47,843	15.94	March 18, 2018	516,205
Christopher Barnard	10,000	4.60	February 17, 2014	218,623
	8,000	4.60	March 22, 2015	174,898
	16,500	4.60	March 22, 2015 ²	360,727
	5,459	11.04	February 16, 2016	85,019
	16,348	9.74	March 19, 2017	275,356
	22,465	15.94	March 18, 2018	242,387
Anthony Lam	8,250	4.60	March 22, 2015 ²	180,364
	3,186	9.74	March 19, 2017	53,663
	9,605	15.94	March 18, 2018	103,634
Peter Lockhard	8,250	4.60	March 22, 2015 ²	180,364
	5,289	9.74	March 19, 2017	89,085
	10,629	15.94	March 18, 2018	114,682
Dave Simons	1,834	4.60	March 22, 2015	40,095
	8,250	4.60	March 22, 2015 ²	180,364
	4,654	9.74	March 19, 2017	78,389
	9,354	15.94	March 18, 2018	100,925

Notes:

1. Based upon the closing price of the common shares on the Toronto Stock Exchange on December 31, 2013 of CDN\$26.99 per Common Share and converted into US Dollars at the closing exchange rate on December 31, 2013.
2. Stretch bonus grant described in section on Short-Term Incentives above.

Outstanding Share-Based Awards

The following table sets forth all outstanding share-based awards granted to the NEOs as of December 31, 2013. All awards were granted under standard terms unless otherwise noted.

Name	Number of units that have not vested (#)	Market value of unvested units (\$)¹	Market value of vested units not paid out (\$)
Robert MacLean	7,935	200,266	Nil
Christopher Barnard	4,626	116,753	Nil
Anthony Lam	4,914	124,021	Nil
Peter Lockhard	5,437	137,221	Nil
Dave Simons	29,785	751,724	Nil

Notes:

1. Based upon the closing price of the common shares on the Toronto Stock Exchange on December 31, 2013 of CDN\$26.99 per Common Share and converted into US Dollars at the closing exchange rate on December 31, 2013.

Incentive Plan Awards

The following table sets forth the value of stock option and share-based awards that vested and the non-equity incentive plan compensation earned during the year ended December 31, 2013.

Name	Option-based awards – Value vested during the year¹ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert MacLean	116,653	20,800	126,505
Christopher Barnard	64,453	16,976	69,045
Anthony Lam	29,579	13,600	71,268
Peter Lockhard	39,630	15,056	68,015
Dave Simons	29,322	13,248	69,721

Notes:

1. Calculated by multiplying the number of options that vested during the year by the difference between the exercise price and the closing price of the common shares on the Toronto Stock Exchange on the date of vesting. Calculated in Canadian Dollars and converted to US Dollars at the average exchange rate for the month in which the vesting of the applicable options occurred.

Termination and Change of Control Benefits

In the event the employment of Mr. MacLean is terminated by the Corporation without cause and without notice, the Corporation is required to pay Mr. MacLean 180% of his base salary. In such circumstances Mr. MacLean is also entitled to continued medical and dental benefits for 12 months and the vesting of all outstanding stock options and share units accelerate by a period of 12 months. In addition, upon a change of control of the Corporation (whether by voting control, control of the board of directors or other change of control transaction), Mr. MacLean has the right to elect to terminate his employment and receive a lump-sum payment equal to 180% of his then current base salary. In the event Mr. MacLean elects to terminate his employment in such circumstances, his outstanding stock options and share units accelerate by a period of 12 months and he is also entitled to continued medical and dental benefits for 12 months. If the change of control transaction is specifically a voting change of control, all of Mr. MacLean's options and share units vest immediately in the same manner as the other NEOs.

In the event that Mr. Barnard's employment is terminated by the Corporation without cause and without notice, the Corporation is required to pay Mr. Barnard a lump-sum payment equal to the greater of 100% of his then current base salary or his entitlement under applicable law. Upon termination of Mr. Barnard's employment by the Corporation for any reason other than cause, all of Mr. Barnard's outstanding stock options and share units vest immediately. In addition, upon a change of control of the Corporation (whether by voting control, control of the board of directors or other change of control transaction), Mr. Barnard has the right to elect to terminate his employment and receive a lump-sum payment equal to the greater of 100% of his then current base salary or his entitlement under applicable law. If Mr. Barnard exercises such right to terminate his employment, all of Mr. Barnard's outstanding stock options and share units vest immediately.

In the event the employment of an NEO (other than Mr. Barnard and Mr. MacLean) is terminated by the Corporation without cause and without notice, the Corporation is required to pay the NEO 12 months base salary plus 100% of the potential bonus he is entitled to under the Corporation's standard bonus plan. In such circumstances, the NEO is also entitled to continued medical and dental benefits for 12 months and the vesting of all outstanding stock options and share units accelerate by a period of 12 months. All outstanding NEO options and share units vest immediately upon any change of voting control of the Corporation.

The following table summarizes the estimated incremental compensation to the NEOs triggered by the respective events set forth below. Unless otherwise stated, it is assumed that the event took place on December 31, 2013.

Name	Triggering Event	Total (\$)	Severance / Termination Benefit (\$)	Stock Options ¹ (\$)	RSUs ¹ (\$)
Robert MacLean	Term. w/o Cause/Notice	1,488,314	743,245	712,234	32,835
	Change of Voting Control	2,235,511	743,245 ²	1,292,000	200,266
	Other Change of Control	1,488,314	743,245 ²	712,234	32,835
Christopher Barnard	Term. w/o Cause/Notice	1,599,047	434,307 ³	1,137,962	26,778
	Change of Voting Control	1,908,070	434,307 ⁴	1,357,010	116,753
	Other Change of Control	1,599,047	434,307 ⁴	1,137,962	26,778
Anthony Lam	Term. w/o Cause/Notice	625,755	335,713	268,564	21,478
	Change of Voting Control	461,681	Nil	337,660	124,021
	Other Change of Control	Nil	Nil	Nil	Nil
Peter Lockhard	Term. w/o Cause/Notice	686,961	385,231	277,981	23,749
	Change of Voting Control	521,352	Nil	384,131	137,221
	Other Change of Control	Nil	Nil	Nil	Nil
David Simons	Term. w/o Cause/Notice	473,814	326,931	125,986	20,897
	Change of Voting Control	1,151,498	Nil	399,774	751,724
	Other Change of Control	Nil	Nil	Nil	Nil

Notes:

1. Calculated for all vested options and restricted share units assuming such options and units were exercised and sold on December 31, 2013. Based upon the closing price of the common shares on the Toronto Stock Exchange on December 31, 2013 of CDN\$26.99 per Common Share and converted into US Dollars at the closing exchange rate on December 31, 2013.
2. Calculation assumes that Mr. MacLean exercises his right to terminate his employment and receive the benefits in his employment agreement.
3. Calculation assumes that Mr. Barnard would not be entitled to additional compensation under applicable law beyond 100% of his base salary.
4. The calculations for Mr. Barnard assume that he would not be entitled to additional compensation under applicable law beyond 100% of his base salary and that he elects to exercise his right to terminate his employment and receive the benefits in his employment agreement.

Compensation of Directors

For 2013, Directors who were not also executive officers (“**Outside Directors**”) were paid a retainer and a per meeting fee in accordance with their level of participation:

	Annual Retainer Chair (CDN\$)	Annual Retainer Non Chair (CDN\$)	Per Meeting Fee (CDN\$)
Board of Directors	56,000	22,000	1,250
Audit Committee	18,000	5,900	1,250
Human Resources and Corporate Governance Committee	11,000	3,800	1,250

Outside Director compensation is paid in cash and in stock option grants. Per meeting fees were paid entirely in cash. Annual retainer fees are paid 50% in cash and 50% in stock options under the Option Plan with standard terms (i.e. equal vesting over three years and five year expiration) and immediately vest in full upon a change in voting control of the Corporation. The option component of the compensation is granted annually in advance during the first quarter of the Corporation's fiscal year. The specific number of options granted is determined through use of a Black Scholes valuation in accordance with accounting fair value. Outside Directors are reimbursed for reasonable out-of-pocket expenses for attending Board and committee meetings in person.

Director Compensation Table

The following table sets forth the compensation paid to or earned by the Outside Directors during the fiscal year ended December 31, 2013.

Name	Fees earned ¹ (\$)	Option-based awards ² (\$)	Total compensation ³ (\$)
Bernay Box	51,600	32,076	83,676
Michael Beckerman	19,218	10,741	29,959
Douglas Carty	32,820	19,529	52,349
Bruce Croxon	25,922	12,596	38,518
John Thompson	33,478	18,992	52,740

Notes:

1. Calculated as the director fees earned for meeting attendance and the cash portion of retainer fees paid for participation occurring in 2013. Such fees are paid quarterly in arrears in Canadian Dollars and were translated to US Dollars at the average exchange rate for the applicable quarter.
2. Option-awards were granted as a dollar amounts and accounted for using the same value. Grant values for these option-based awards were calculated in Canadian Dollars and converted in the table above into US Dollars using the average exchange rate for the year in which they were granted.
3. Does not include reimbursement of out-of-pocket expenses incurred for the purpose of attending Board and committee meetings.

Outstanding Director Option-Based Awards

The following table sets forth all outstanding stock option awards granted to the Outside Directors as of December 31, 2013. All awards were granted under standard terms unless otherwise noted.

Name	Number of securities underlying unexercised options (#)	Option exercise price (CAD\$)	Option expiration date (Date)	Value of unexercised in-the-money options ¹ (\$)
Bernay Box	4,608	3.70	August 21, 2014	100,355
	11,368	5.00	February 11, 2015	233,758
	1,259	4.60	March 22, 2015	26,360
	4,975	11.04	February 16, 2016	74,201
	6,318	9.74	March 19, 2017	101,912
	6,164	15.94	March 18, 2018	63,692
Michael Beckerman	2,854	5.30	May 21, 2015	57,886
	1,666	11.04	February 16, 2016	24,848
	2,116	9.74	March 19, 2017	34,132
	2,064	15.94	March 18, 2018	21,327
Douglas Carty	9,950	4.60	February 17, 2014	208,322
	7,604	5.00	February 11, 2015	156,360
	3,029	11.04	February 16, 2016	45,177
	3,847	9.74	March 19, 2017	62,054
	3,753	15.94	March 18, 2018	38,779
Bruce Croxon	6,417	4.60	February 17, 2014	134,352
	4,904	5.00	February 11, 2015	100,840
	1,953	11.04	February 16, 2016	29,129
	2,481	9.74	March 19, 2017	40,020
	2,421	15.94	March 18, 2018	25,016
John Thompson	9,676	4.60	February 17, 2014	202,585
	7,395	5.00	February 11, 2015	152,062
	2,945	11.04	February 16, 2016	43,924
	3,741	9.74	March 19, 2017	60,344
	3,650	15.94	March 18, 2018	37,715

Notes:

1. Based upon the closing price of the common shares on the Toronto Stock Exchange on December 31, 2013 of CDN\$26.99 per Common Share and converted into US Dollars at the closing exchange rate on December 31, 2013.

Director Incentive Plan Awards

The following table sets forth the value of the stock option awards granted to the Outside Directors that vested during the fiscal year ended December 31, 2013.

Name	Option-based awards – Value vested during the year (\$)¹
Bernay Box	45,169
Michael Beckerman	17,743
Douglas Carty	26,319
Bruce Croxon	16,973
John Thompson	30,878

Note:

1. Calculated by multiplying the number of options that vested during the year by the difference between the exercise price and the closing price of the common shares on the Toronto Stock Exchange on the date of vesting. Calculated in Canadian Dollars and converted to US Dollars at the closing exchange rate in effect on the date of vesting of the applicable options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Plan Category	Number of common shares to be issued upon exercise of outstanding options (#)	Weighted-average exercise price of outstanding options (CDN\$)	Number of common shares remaining available for future issuance under equity compensation plans (#)
Option Plan ¹	478,593	9.47	582,407

Note:

- Table amounts are calculated as of December 31, 2013. The Option Plan was approved by the shareholders of the Corporation. Options issued under the Option Plan are exercisable for common shares of the Corporation in accordance with the terms of the plan.

Summary of the Option Plan

The Corporation maintains the Option Plan to provide certain directors, officers, employees and service providers (“**Participants**”) with an increased incentive to contribute to the future success and prosperity of the Corporation. The Board and management believe that the Option Plan and the incentive provided thereby is an important tool in enhancing the value of the Corporation for the benefit of all shareholders and increases the ability of the Corporation to attract and retain individuals of exceptional skill.

The maximum number of common shares issuable under the Option Plan is 2,250,000, representing 14.65% of the currently outstanding common shares. As of the date of this Circular: (i) 1,191,000 common shares, representing 7.75% of the currently outstanding common shares, have been issued under the Option Plan in respect of exercised options; (ii) the total number of common shares issuable pursuant to outstanding options is 476,593, representing 3.10% of the currently outstanding common shares; and (iii) 582,407 common shares, representing 3.79% of the currently outstanding common shares, are available for grant under the Option Plan.

The number of common shares issuable to insiders, at any time, under the Option Plan and all security-based compensation arrangements of the Corporation, cannot exceed 10% of the issued and outstanding common shares, and the number of common shares issued to insiders, within any one year period, under the Option Plan and all security-based compensation arrangements of the Corporation, cannot exceed ten per cent (10%) of the issued and outstanding common shares. In addition, the number of common shares reserved for options granted to any one person at any time shall not exceed 5% of the outstanding common shares.

The exercise price of options issued under the Option Plan are fixed by the Board at 100% of the “Market Value” or such higher amount as the Board may determine appropriate. “Market Value” is defined as the volume weighted average trading price of the common shares (calculated by dividing the total value by the total volume of common shares traded for the relevant period) on the TSX for the five consecutive trading days ending immediately on the trading day prior to the grant date.

The maximum term of each option granted under the Option Plan is ten years and, in practice, the Board has typically set a five year term. The typical vesting schedule is set so that one third of the option grant vests on each of the first three anniversaries of the option grant date; however, in exceptional circumstances the Board has set different vesting periods or conditions including performance based vesting conditions. Options granted to directors, officers and director level employees vest immediately upon a change of voting control of the Corporation.

Generally, where an employee is terminated for cause or voluntarily resigns, their options terminate immediately upon the termination of employment. In most other circumstances, a Participant's options

will terminate 90 days after ceasing to be an officer, director, employee or service provider. Options may not be assigned or transferred and, except in the case of the death of a Participant, are exercisable only by the Participant.

The Board may discontinue the Option Plan at any time without the consent of the Participants.

The Board may amend the Option Plan or any option outstanding at any time in its absolute discretion without the approval of the shareholders of the Corporation, including but not limited to, to introduce the following:

- (a) a change in the process by which a Participant who wishes to exercise his or her option can do so, including the required form of payment for the common shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered;
- (b) a change to the identity of the Option Plan participants (i.e., the identity of the persons to whom the options are granted or could be granted);
- (c) a change to the termination provisions for the Option Plan or for an option so long as the change does not otherwise contravene any other provision of the Option Plan;
- (d) a change to the terms of the Option Plan relating to the effect of termination, cessation or death of a Participant on the right to exercise options;
- (e) a change to provisions on the transferability of options for normal estate settlement purposes;
- (f) the addition of a cashless exercise feature, payable in cash or securities;
- (g) housekeeping changes (such as a change to correct an immaterial inconsistency, clerical error, omission or a change to update an administrative provision); and
- (h) a change deemed necessary or desirable to comply with applicable law or regulatory requirements.

Notwithstanding the foregoing, the following amendments to the Option Plan or to an option outstanding at any time shall be made only upon requisite approval by the shareholders of the Corporation:

- (a) increasing the number of common shares that can be issued under the Option Plan;
- (b) reducing the strike price of an outstanding option (including a cancellation and re-grant of an option, constituting a reduction of the exercise price of an option);
- (c) amending the Option Plan to permit the grant of an option with an expiry date beyond the maximum term allowed under the Option Plan or amending the applicable period from the expiry date of a blackout period to the expiry date of an option;
- (d) changing the provisions relating to the transferability of options except if the transfer is for normal estate settlement purposes; and
- (e) extending the term of an option held by an insider;

unless the change results from application of the anti-dilution provisions of the Option Plan.

INDEBTEDNESS OF DIRECTORS, OFFICERS AND EMPLOYEES

As at the date of this Circular, no executive officer, director or employee of the Corporation (or any former executive officer, director or employee) is indebted to (i) the Corporation or any of its subsidiaries, or (ii) any other entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or any shareholder holding more than 10% of the voting rights attached to the common shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation or any of its subsidiaries.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

A description of the Corporation's approach to corporate governance is set forth in Schedule A, which is cross-referenced to the requirements of National Instrument 58-101.

SHAREHOLDER PROPOSALS

Pursuant to section 137 of the CBCA, any notice of a shareholder proposal intended to be raised at the Corporation's next annual meeting must be submitted to the Corporation at its registered office, to the attention of the Secretary, on or before December 31, 2013 to be considered for inclusion in the management information circular to be furnished in connection with the solicitation by, or on behalf of, the management of Points of proxies to be used at the next annual meeting.

It is the position of the Corporation that shareholder proposals need be recognized only if made in accordance with the foregoing procedure and the provisions of the CBCA.

GENERAL PROXY INFORMATION

Solicitation of Proxies

It is expected that solicitations of proxies will be made primarily by mail and possibly supplemented by telephone or other personal contact by directors, officers and employees of the Corporation without special compensation. The cost of the solicitation will be borne directly by the Corporation. In some instances, the Corporation has distributed copies of this Circular and other related materials to clearing agencies, securities dealers, banks and trust companies, or their nominees (collectively "**Intermediaries**", and each an "**Intermediary**") for onward distribution to shareholders whose common shares are held by or in the custody of those Intermediaries. The Intermediaries are required to forward the Meeting materials to non-registered shareholders.

Voting of Proxies

Non-Registered Shareholders

If your common shares are held in a brokerage account or otherwise through an intermediary you are a non-registered or beneficial shareholder and a Voting Instruction Form was mailed to you with this package. The Voting Instruction Form contains instructions on how to vote your common shares.

Registered Shareholders

If your common shares are held in your own name you are a registered shareholder and are requested to vote your shares in accordance with the instructions on the form of proxy for use at the Meeting or any adjournment(s) or postponement(s) thereof, whether or not they are able to attend personally. Submit your proxy in sufficient time to ensure your votes are received by the offices of **COMPUTERSHARE TRUST COMPANY OF CANADA ATTENTION: PROXY DEPARTMENT, 9TH FLOOR, 100 UNIVERSITY AVENUE, TORONTO ONTARIO M5J 2Y1 TO ARRIVE NO LATER THAN 9:00 A.M. (EASTERN TIME) ON MAY 6, 2014, OR NOT LATER THAN FORTY-EIGHT (48) HOURS (EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS IN THE CITY OF TORONTO) PRIOR TO THE TIME SET FOR THE MEETING OR ANY ADJOURNMENT OR ADJOURNMENTS THEREOF, PROVIDED HOWEVER, THAT THE CHAIRMAN OF THE MEETING MAY, IN HIS SOLE DISCRETION, ACCEPT PROXIES DELIVERED TO HIM UP TO THE TIME WHEN ANY VOTE IS TAKEN AT THE MEETING OR ANY ADJOURNMENT THEREOF, OR IN ACCORDANCE WITH ANY OTHER MANNER PERMITTED BY LAW.**

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation.

A registered shareholder desiring to appoint some other person, who need not be a shareholder, to represent him or her at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy in the manner described above.

A non-registered shareholder desiring to appoint some other person, who need not be a shareholder, to represent him or her at the Meeting, may do so by following the instructions on the Voting Instruction Form.

A proxy given pursuant to this solicitation may be revoked by an instrument in writing executed by a shareholder or by a shareholder's attorney duly authorized in writing or, if the shareholder is a body corporate, under its corporate seal, or by a duly authorized officer or attorney and deposited either with **Computershare Trust Company of Canada**, Attention: Proxy Department, 9th Floor, 100 University Avenue, Toronto, ON M5J 2Y1 so that it arrives at any time up to and including the last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting or in any other manner permitted by law. Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

Exercise of Vote by Proxy

The common shares of the Corporation represented by properly executed proxies will be voted for or against any matter to be acted upon where such shareholder specifies a choice for such matter. **In respect of proxies in favour of management proxyholders in which shareholders have failed to specify the manner of voting, the shares represented by such proxies will be voted as follows: (i) FOR the nominees for director set out in this Circular; and (ii) FOR the appointment of KPMG LLP as auditors.**

The form of proxy also confers discretionary authority upon the management proxyholders in respect of amendments or variations to matters identified in the notice of Meeting or other matters that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. Management knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the notice calling the Meeting. However, if any amendments, variations or other matters which are not now known to management should properly come before the Meeting or any adjournment(s) or postponement(s) thereof, the shares represented by proxies in favour of management proxyholders will be

voted on such amendments, variations or other matters in accordance with the best judgment of the proxyholder.

Quorum and Record Date

The presence of at least one person holding or representing by proxy not less than 15% of the total number of the issued shares of the Corporation entitled to vote at the Meeting is required to constitute a quorum at the Meeting. The Board has fixed the close of business on March 31, 2014 as the Record Date, being the date for the determination of the shareholders entitled to receive notice of and to vote at the Meeting.

Voting Shares and Principal Holders Thereof

As of the date of this Circular, the common shares of Points are the only outstanding voting securities. The holders of the common shares are entitled to vote on all matters brought before a meeting of the shareholders together as a single class, except in respect of matters where (i) only the holders of shares of one class or a series of shares are entitled to vote separately pursuant to applicable law or (ii) the Articles of the Corporation otherwise specify. The holders of common shares are entitled to cast one vote per share. As at the date of this Circular, there were 15,361,903 common shares outstanding. Generally, all matters to be voted on by shareholders must be approved by a simple majority of the votes cast in respect of the common shares held by persons present in person or by proxy, voting together as a single class.

As at the date of this Circular, to the knowledge of the Corporation, its directors or officers, no person owns beneficially, directly or indirectly, or exercises control or direction over, in excess of 10% of any class of voting securities of the Corporation.

ADDITIONAL INFORMATION

The Corporation's financial information is contained in its comparative financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2013. Information concerning the Corporation's Audit Committee may be found in the Corporation's Annual Information Form under the heading "AUDIT COMMITTEE". Additional information about the Corporation is available on SEDAR at www.sedar.com and on the website of the U.S. Securities and Exchange Commission at www.sec.gov.

Upon request made to the Secretary of the Corporation at 171 John Street, 5th Floor, Toronto, Ontario M5T 1X3, the Corporation will provide to any person, and in the case of a security holder of the Corporation without charge, one copy of: (i) the Corporation's most recent Annual Information Form filed with securities commissions or similar regulatory authorities in Canada, together with the pertinent pages of any document incorporated by reference therein; (ii) the Corporation's most recently filed comparative annual financial statements, together with the report of the Corporation's auditors thereon, and any interim financial statements filed for any period after the end of its most recently completed financial year; and (iii) the Corporation's Management Information Circular for its most recent annual meeting of shareholders at which directors were elected.

BOARD APPROVAL

The undersigned hereby certifies that the contents and the sending of this Circular have been approved by the Board for mailing to the shareholders entitled to receive notice of the Meeting, to each director of the Corporation and to KPMG LLP, the auditors of the Corporation.

DATED at Toronto, Ontario, this 5th day of March, 2014.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'R MacLean', written in a cursive style.

Robert MacLean
Chief Executive Officer

SCHEDULE A
STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Corporation's corporate governance disclosure required by National Instrument 58-101 Disclosure of Corporate Governance Practices is set out below.

Disclosure Requirement	Corporation's Disclosure
Board of Directors	
Disclose the identity of directors who are independent.	Messrs. Michael Beckerman, Bernay Box, Douglas Carty, John Thompson and Bruce Croxon are independent directors.
Disclose the identity of directors who are not independent, and describe the basis for that determination.	Messrs. Robert MacLean and Christopher Barnard are not independent directors because they are the Chief Executive Officer and President of the Corporation, respectively.
Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.	A majority of the directors are independent.
If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Mr. Carty is a director of Wajax Corporation, a Canadian listed issuer, and a director of YRC Worldwide Inc, a U.S. listed issuer.

Disclosure Requirement	Corporation's Disclosure
<p>Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.</p>	<p>The Board generally meets without management and non-independent directors at each Board meeting held to consider interim and annual financial statements. In 2013, the Board held four such meetings without management and non-independent directors present.</p> <p>The Audit Committee generally holds an in camera session with the Corporation's external auditor at each Board meeting held to consider interim and annual financial statements. In 2013, the Audit Committee held three such in camera sessions.</p> <p>The Human Resources and Corporate Governance Committee (HRCGC) meets without management at each meeting. In 2013, the HRCGC held three such in camera sessions.</p>
<p>Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.</p>	<p>Mr. Box is the Chairman of the Board and is an independent director.</p> <p>His role and responsibilities in this capacity are as follows:</p> <p>Board Leadership</p> <p>The Chairman will provide leadership to directors in discharging their mandate as set out in the Board Mandate, including by:</p> <ul style="list-style-type: none"> • leading, managing and organizing the Board consistent with the approach to corporate governance adopted by the Board from time to time; • promoting cohesiveness among the directors; and • being satisfied that the responsibilities of the Board and its Committees are well understood by the directors. <p>Relationship with Chief Executive Officer</p> <p>The Chairman shall provide advice, counsel and mentorship to the CEO.</p> <p>Information Flow</p> <p>The Chairman shall promote the delivery of information to the directors on a timely basis to keep the directors fully apprised of all matters which are material to directors at all times.</p> <p>The Chairman shall be satisfied that the information requested by any director is provided and meets the needs of that director.</p>

Disclosure Requirement	Corporation's Disclosure
	<p data-bbox="573 264 846 296"><i>Meetings of the Board</i></p> <p data-bbox="573 327 1474 394">In connection with meetings of the directors, the Chairman shall be responsible for the following:</p> <ul data-bbox="621 432 1474 1167" style="list-style-type: none"> <li data-bbox="621 432 1101 464">• scheduling meetings of the directors; <li data-bbox="621 499 1474 562">• coordinating with the chairmen of the committees of the directors to schedule meetings of the committees; <li data-bbox="621 598 1474 730">• ensuring that all business required to come before the Board is brought before the Board such that the Board is able to carry out all of its duties to manage or supervise the management of the business and affairs of the Corporation; <li data-bbox="621 766 1198 798">• setting the agenda for meetings of the Board; <li data-bbox="621 833 1474 896">• monitoring the adequacy of materials provided to the directors by management in connection with the directors' deliberations; <li data-bbox="621 932 1474 1031">• ensuring that the directors have sufficient time to review the materials provided to them and to fully discuss the business that comes before the Board; <li data-bbox="621 1066 1198 1098">• presiding over meetings of the directors; and <li data-bbox="621 1134 1409 1165">• encouraging free and open discussion at meetings of the Board. <p data-bbox="573 1203 883 1234"><i>Meetings of Shareholders</i></p> <p data-bbox="573 1266 1344 1297">The Chairman shall preside over meetings of Points' shareholders.</p> <p data-bbox="573 1335 837 1367"><i>Other Responsibilities</i></p> <p data-bbox="573 1398 1157 1430">The Chairman shall perform such other functions:</p> <ul data-bbox="621 1467 1474 1629" style="list-style-type: none"> <li data-bbox="621 1467 1474 1530">• as may be ancillary to the duties and responsibilities described above; and <li data-bbox="621 1566 1474 1629">• as may be delegated to the Chairman by the Board from time to time.

Disclosure Requirement	Corporation's Disclosure
<p>Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.</p>	<p>Attendance Record of current directors for 2013:</p> <p>Michael Beckerman –7 of 7 Board meetings</p> <p>Christopher Barnard – 7 of 7 Board meetings</p> <p>Bernay Box – 7 of 7 Board meetings and 8 of 8 committee meetings</p> <p>Doug Carty – 7 of 7 Board meetings and 4 of 4 committee meetings</p> <p>Bruce Croxon – 7 of 7 Board meetings and 4 of 4 committee meetings</p> <p>Rob MacLean – 7 of 7 Board meetings</p> <p>John Thompson – 6 of 7 Board meetings and 6 of 8 committee meetings</p>
<p>Board Mandate</p>	
<p>Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.</p>	<p>The mandate of the Board is attached as Exhibit A to this Circular.</p>
<p>Position Descriptions</p>	
<p>Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.</p>	<p>The Board has written position descriptions for the Chairman and the chair of each committee of the Board. The position description for the Chairman is included above.</p>
<p>Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.</p>	<p>A written position description has been adopted for the CEO.</p>
<p>Orientation and Continuing Education</p>	

Disclosure Requirement	Corporation's Disclosure
<p>Briefly describe what measures the board takes to orient new directors regarding:</p> <p>(i) the role of the board, its committees and its directors, and</p> <p>(ii) the nature and operation of the issuer's business.</p>	<p>Newly appointed directors are provided with a copy of the Corporation's Board Manual which describes their duties at law, contains the mandates for the Board and its committees, and includes other relevant information. Newly appointed directors are also provided with open access to senior management and other members of the Board in order to obtain information regarding the nature and operation of the Corporation's business. The Corporation has implemented an electronic system which allows for posting and archiving all Board information. Board of Directors and senior management have access to this information through secure access at all times.</p>
<p>Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>The Board is briefed regularly on the Corporation's business, strategy and financial performance. Board members are provided with open and frequent direct communication with senior management.</p>

Disclosure Requirement	Corporation's Disclosure
Ethical Business Conduct	
<p>Disclose whether or not the board has adopted a written code of business conduct and ethics for the directors, officers and employees. If the board has adopted a written code:</p> <p>(i) disclose how a person or company may obtain a copy of the code;</p> <p>(ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and</p> <p>(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	<p>The Corporation has adopted a Code of Business Conduct and Ethics which was approved by the Board and applies to all the Corporation's directors, officers and employees.</p> <p>A copy of the Code of Business Conduct & Ethics is available on the Corporation's website at www.pointsinternational.com.</p> <p>All employees are required to sign an acknowledgement regarding the Code of Business Conduct and Ethics upon hiring. The Corporation maintains a whistleblower hotline and protocol for ensuring that any matters are brought to the attention of an independent officer of the Corporation. Any matters relating to breaches of the Code of Business Conduct and Ethics are reported directly to the HRCGC. All employees are informed of whistleblower hotline and can report anonymously.</p>
<p>Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	<p>The Board takes all steps required by applicable legal, regulatory and accounting standards. The Board is subject to the same Code of Business Conduct & Ethics as the Corporation's employees.</p>
<p>Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board does not take any other specific steps.</p>

Disclosure Requirement	Corporation's Disclosure
Nomination of Directors	
Describe the process by which the board identifies new candidates for board nomination.	The HRCGC, which is comprised entirely of independent directors, is responsible for participating in the recruitment and recommendation of new candidates for appointment or election to the Board. When considering a potential candidate the HRCGC generally considers the qualities and skills that the Board, as a whole, should have and assesses the competencies and skills of the current members of the Board. Potential candidates are screened to ensure that they possess the requisite qualities, business judgement, experience, financial literacy and communication skills.
Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.	The HRCGC acts as the nominating committee and is composed entirely of independent directors.
If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	The responsibilities, powers and operation of the HRCGC are set forth in the Circular under the heading “ Executive Compensation ”.
Compensation	
Describe the process by which the board determines the compensation for the issuer's directors and officers.	The Board has oversight responsibility for the structure of the Corporation’s compensation strategy as well as the total compensation of the members of the Board and the Chief Executive Officer of the Corporation. The HRCGC is responsible for assisting the Board in discharging its oversight responsibilities relating to compensation. Further information regarding the process by which director and executive officer compensation is determined is set forth in the Circular under the heading “ Executive Compensation ”.

Disclosure Requirement	Corporation's Disclosure
<p>Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.</p>	<p>The HRCGC is comprised entirely of independent directors.</p>
<p>If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The responsibilities, powers and operation of the HRCGC are set forth in the Circular under the heading “Executive Compensation”.</p>

Disclosure Requirement	Corporation's Disclosure
<p>If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.</p>	<p>See above in the Circular under the heading “Executive Compensation”.</p> <p>In 2012, a consulting firm was retained to carry out an independent review of executive compensation. In 2013, the same consulting firm was retained to conduct an independent review of Board compensation using similar market comparables.</p>
<p>Other Board Committees</p>	
<p>If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>Not Applicable</p>
<p>Assessments</p>	
<p>Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.</p>	<p>The Board, Board committees and directors are not formally assessed on a regular basis as the Board believes that such assessments are generally more appropriate for corporations of significantly larger size and complexity than the Corporation and which may have significantly larger boards of directors. Board and committee members are carefully selected to ensure a high performing Board and committee structure. The small size of the Board allows for collegiality and effective deliberation and exchange of information. The Chairman of the Board is also responsible for reporting to the Board on areas where improvements can be made. Any agreed upon improvements will be implemented and overseen by the Board. A more formal process will be instituted as, if, and when the Board considers it to be necessary.</p>

Exhibit A

BOARD OF DIRECTORS' MANDATE

1. MANDATE

1.1 In adopting this mandate,

- (a) the board (the “Board”) of Points International Ltd. (referred to herein as “Points International” or the “Corporation”) acknowledges that the mandate prescribed for it by the *Canada Business Corporations Act* (“CBCA”) is to manage or supervise the management of Points International's business and affairs and that this mandate includes responsibility for stewardship of Points International; and
- (b) the Board explicitly acknowledges responsibility for the stewardship of Points International, as contemplated by the National Policy 58-201 (the “CSA Governance Policy”).

2. BOARD MEMBERSHIP

2.1 Number of Members

The Board shall consist of such number of directors as the Board may determine from time to time, provided that such number shall be within the minimum and maximum number of directors set out in Points International's articles.

2.2 Independence of Members

A majority of the directors shall be independent directors for the purposes of the CSA Governance Policy and the NASDAQ Stock Exchange listing rules.

2.3 Election and Appointment of Directors

Directors shall be elected by the shareholders annually for a one-year term, provided that if directors are not elected at any annual meeting, the incumbent directors continue in office until their successors are elected.

2.4 Vacancy

The Board may appoint a member to fill a vacancy, which occurs in the Board between annual elections of directors to the extent permitted by the CBCA.

2.5 Removal of Members

Any director may be removed from office by an ordinary resolution of the shareholders.

3. BOARD CHAIR

3.1 Board to Appoint Chair

The Board shall appoint the Chair from the members of the Board. The Board should have a non-executive chair. If, for any reason, the Board appoints an executive chair, then the Board should also appoint a lead director from among the non-executive members of the Board. If, at any meeting, the Chair is not in attendance, then the directors present shall be responsible for choosing one of their number to be chair of the meeting.

3.2 Chair to be Appointed Annually

The designation of its Chair shall take place annually at the first meeting of the Board after a meeting of the shareholders at which directors are elected, provided that if the designation of

Chair is not so made, the director who is then serving as Chair shall continue as Chair until his or her successor is appointed.

4. MEETINGS OF THE BOARD

4.1 Quorum

A quorum of the Board shall be the minimum number of directors required by the Articles, and compliance with the Canadian residency requirements stipulated in the CBCA in attendance or otherwise represented.

4.2 Secretary

The Board may designate from time to time a person who may, but need not, be a member of the Board, to be Secretary of the Board.

4.3 Time and Place of Meetings

The time and place of the meetings of the Board and the calling of meetings and the procedure in all things at such meetings shall be determined by the Board; provided, however, the Board shall meet at least quarterly. Meetings shall be called on two days notice (exclusive of the day on which notice is sent but inclusive of the day for which notice is given).

4.4 Right to Vote

Each member of the Board shall have the right to vote on matters that come before the Board. Directors may not vote by proxy and may not appoint someone to act on their behalf.

4.5 Invitees

The Board may invite directors, officers and employees of Points International or any other person to attend meetings of the Board to assist in the discussion and examination of the matters under consideration by the Board, but such other parties may not vote.

4.6 Independent Director Sessions

At the conclusion of each regularly scheduled meeting of the Board convened to consider interim or annual financial statements, the independent directors shall, unless determined otherwise by the Chairman, meet without any member of management being present (including any director who is a member of management). No minutes of the independent director sessions will be taken unless the Chair of the meeting requests in writing that the discussion be added to the meeting minutes.

5. OUTSIDE ADVISORS

5.1 Retaining and Compensating Advisors

Each director shall have the authority to retain outside counsel and any other external advisors as appropriate with the approval of the Chair.

6. REMUNERATION OF BOARD MEMBERS

6.1 Remuneration

Members of the Board and the Chair shall receive such remuneration for their service on the Board as approved by the Board upon recommendation of the Human Resources and Corporate Governance Committee.

7. DUTIES AND RESPONSIBILITIES OF THE BOARD

7.1 Specific Aspects of Stewardship Function

In adopting this mandate, the Board hereby explicitly assumes responsibility for the matters set out below:

- (a) to the extent feasible, satisfying itself as to the integrity of the chief executive officer (the CEO) and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the organization;
- (b) adopting a strategic planning process and approving, on at least an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business;
- (c) the identification of the principal risks of the issuer's business, and ensuring the implementation of appropriate systems to manage these risks;
- (d) succession planning;
- (e) adopting a communication policy for the issuer;
- (f) the issuer's internal control and management information systems;
- (g) developing the issuer's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the issuer;
- (h) measures for receiving feedback from stakeholders (e.g., the board may wish to establish a process to permit stakeholders to directly contact the independent directors); and
- (i) expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at board meetings and advance review of meeting materials.

7.2 Nomination and Appointment of Directors

The Board shall nominate individuals for election as directors by the shareholders, and shall fill such vacancies on the Board as it is permitted by law to fill, in each case upon recommendation of the Human Resources and Corporate Governance Committee.

7.3 Significant Decisions

The Board shall require management to obtain its approval for all significant decisions, including major financings, acquisitions, dispositions, budgets and capital expenditures.

7.4 Information Flow from Management

The Board shall require management to keep it aware of the Corporation's performance and events affecting the Corporation's business, including opportunities in the marketplace and adverse or positive developments.

7.5 Corporate Objectives

The Board shall approve specific financial and business objectives, which will be used as a basis for measuring the performance of the Chief Executive Officer, the President and the senior management team.

7.6 Delegation to Committees

- (a) The Board shall establish and maintain the following committees of the Board, each having mandates that incorporate all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate:
 - i. Audit Committee; and
 - ii. Human Resources and Corporate Governance Committee.
- (b) Subject to Points International's articles and by-laws, the Board may appoint any other committee of directors to delegate to such committee any of the powers of the Board, except to the extent that such delegation is prohibited under the CBCA.
- (c) The Board will appoint and maintain in office, members of each of its committees such that the composition of each such committee is in compliance with all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate.
- (d) The Board will review the mandates of each of its committees on an annual basis and will revise those mandates as it considers appropriate. The Board may also establish a process for all committees of the Board to assess their performance on a regular basis.

7.7 Delegation to Management

- (a) Subject to Points International's articles and by-laws, the Board may designate the offices of the Corporation, appoint officers, specify their duties and delegate to them powers to manage the business and affairs of the Corporation, except to the extent that such delegation is prohibited under the CBCA.
- (b) In consultation with the Human Resources and Corporate Governance Committee, the Board shall adopt position descriptions for the Chairman of the Board, the Chief Executive Officer, the Chairman of the Audit Committee and the Chairman of the Human Resources and Corporate Governance Committee.

7.8 Residual Authority

The Board retains responsibility for any matter that has not been delegated to senior management or to a committee of the directors.

7.9 Financial Statements

The Board shall review and, if appropriate, approve Points International's annual financial statements and related management discussion and analysis after the Audit Committee has reviewed and made a recommendation on those statements to the Board.

7.10 Compensation Matters

The Board shall:

- (a) Compensation and Benefits - review and approve, as appropriate:
 - i. the overall structure of Points International's total compensation strategy, including the elements of Points International's annual and long-term

- incentive plans, including plan design, performance targets, administration and total funds/shares reserved for payments;
 - ii. the total compensation of the Chief Executive Officer in light of the performance assessment by the Human Resources and Corporate Governance Committee; and
 - iii. the total compensation for the members of the Board, in light of director compensation guidelines and principles established by the Board on recommendation of the Human Resources and Corporate Governance Committee; and
- (b) Organizational Responsibilities - review and approve as appropriate:
- i. appointments for all mission critical positions (as such positions are defined by the Human Resources and Corporate Governance Committee from time to time) and compensation packages for such appointments; and
 - ii. the report on executive compensation that is required to be included in Points International's management proxy circular;

and shall require the Human Resources and Corporate Governance Committee to make recommendations to it with respect to all such matters.

7.11 Code of Business Conduct

The Board will approve a business code of conduct recommended to it by management and which complies with all applicable legal and stock exchange listing requirements and with such recommendations of relevant securities regulatory authorities and stock exchanges as the Board may consider appropriate.

8. EVALUATION OF BOARD PERFORMANCE AND MANDATE

8.1 Amendments to Mandate

The Board will review and reassess the adequacy of its mandate on an annual basis and at such other times as it considers appropriate.

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