



TERRAVEST CAPITAL INC. MAJORITY VOTING POLICY

Majority Voting Policy

In an uncontested election of directors (the "*Directors*") of TerraVest Capital Inc. (the "*Corporation*"), any nominee for Director who receives a greater number of votes "withheld" from his or her election than votes "for" such election (a "*Majority Withheld Vote*") shall promptly tender his or her resignation to the Chair of the board (the "*Board*") of the Corporation following the Corporation's annual meeting. An "uncontested election" refers to an election where the number of nominees for Director is equal to the number of Directors to be elected.

The Governance and Nominating Committee of the Board (the "*Committee*") shall consider the resignation offer and shall recommend to the Board whether or not to accept it. The Committee shall be expected to accept the resignation except in situations where extenuating circumstances would warrant the applicable Director to continue to serve on the Board. In considering whether or not to accept the resignation, the Committee will consider all factors deemed relevant by its members including, without limitation, the stated reasons why shareholders "withheld" votes from the election of that nominee, the length of service and the qualifications of the Director whose resignation has been tendered, such Director's contributions to the Corporation and the Corporation's corporate governance policies.

The Board shall act on the Committee's recommendation within 90 days following the applicable annual meeting. In considering the Committee's recommendation, the Board will consider the factors considered by that Committee and such additional information and factors that the Board considers to be relevant. Following the Board's decision on the resignation, the Board shall promptly disclose, via press release, their decision whether to accept the Director's resignation offer including the reasons for rejecting the resignation offer, if applicable.

Any Director who is a member of the Committee and who tenders his or her resignation pursuant to this Policy shall not participate in the meeting of the Committee to consider the decision to recommend to the Board whether his or her resignation shall be accepted. However, if each member of the Committee received a Majority Withheld Vote in the same election, or a sufficient number of Committee members received a Majority Withheld Vote such that the Committee no longer has a quorum, then the independent Directors shall appoint a committee amongst themselves to consider the resignation offers and recommend to the Board whether to accept them.

In the event that any Director who received a Majority Withheld Vote does not tender his or her resignation in accordance with this Policy, he or she will not be re-nominated by the Board.



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November 2012

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

Related Governance Documents:

- Board Mandates and Charters
- Governance and Nominating Committee Charter