



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual and Special Meeting of Shareholders of Recipe Unlimited Corporation (the “**Company**”) will be held at Novotel Toronto Vaughan Centre, 200 Bass Pro Mills Dr., Vaughan, Ontario, L4K 0B9 on Friday, May 10, 2019 at 11:00 a.m. (Toronto time) for the following purposes:

- (a) to receive the audited consolidated financial statements of the Company for the financial year ended December 30, 2018 and the auditors’ report thereon;
- (b) to elect directors;
- (c) to appoint the auditors and authorize the directors to fix the auditors’ remuneration;
- (d) to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution (the “**Restricted Plan Resolution**”) approving the adoption of a restricted share unit plan (the “**RSU Plan**”) and ratifying certain grants of restricted share units, all as more particularly set forth in the accompanying management information circular;
- (e) to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution (the “**Performance Share Resolution**”) approving the adoption of a performance share unit plan (the “**PSU Plan**”) and ratifying certain grants of performance share units, all as more particularly set forth in the accompanying management information circular; and
- (f) to transact such other business as may properly come before the meeting.

By Order of the Board,

Dave Lantz
Vice President, General Counsel & Corporate Secretary

April 3, 2019

If you cannot be present to vote in person at the meeting, please complete and sign the enclosed form of proxy and return it in the envelope provided to Computershare Trust Company of Canada at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 (if delivered by mail or by hand); at (416) 263-9524 or (866) 249-7775 (if delivered by fax); or vote by Internet at www.investorvote.com so that it is received by 11:00 a.m. (Toronto time) on Wednesday, May 8, 2019. Please refer to the accompanying Management Proxy Circular for further information regarding completion and use of the proxy and other information pertaining to the meeting.

MANAGEMENT PROXY CIRCULAR

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SECTION I – GENERAL AND VOTING INFORMATION

Solicitation of Proxies

Our management is soliciting the enclosed proxy for use at the Annual and Special Meeting of Shareholders to be held on May 10, 2019 and at any adjournment or postponement thereof. We will bear the cost of soliciting proxies. We will reimburse brokers, custodians, nominees and other fiduciaries for their reasonable charges and expenses incurred in forwarding proxy material to beneficial owners of shares. In addition to solicitation by mail, certain of our officers and employees may solicit proxies personally or by a means of telecommunication. These persons will receive no compensation beyond their regular salaries for so doing.

Date of Information

The information contained in this Management Proxy Circular is given as at April 3, 2019, except where otherwise noted.

Currency

Dollar amounts in this Management Proxy Circular are in Canadian dollars except as otherwise indicated.

Provisions Relating to Proxies

A properly executed proxy delivered to our transfer agent, Computershare Trust Company of Canada, at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 (if delivered by mail or by hand); at (416) 263-9524 or (866) 249-7775 (if delivered by fax); or by Internet at www.investorvote.com, so that it is received before 11:00 a.m. (Toronto time) on Wednesday, May 8, 2019 (or, in the event of an adjournment or postponement, the last business day prior to the adjourned or postponed meeting); or to the chair or secretary of the meeting for which the proxy is given before the time of voting, will be voted or withheld from voting, as appropriate, at the meeting and, if a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in accordance with the direction given. In the absence of such direction, such proxy will be voted with respect to the election of directors, the appointment of auditors, the approval of the RSU Plan and the approval of the PSU Plan.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the notice of meeting and with respect to other matters which may properly come before the meeting. At the date of this Management Proxy Circular, our management knows of no such amendments, variations or other matters.

The persons named in the enclosed proxy are two of our officers. **If you wish to appoint some other person to represent you at the meeting, you may do so either by inserting such other person's name in the blank space provided in the enclosed proxy or by completing another form of proxy.** Such other person need not be a shareholder.

Under governing law, only registered holders of our subordinate voting shares and multiple voting shares (collectively, the “**Shares**”), or the persons they appoint as their proxies, are permitted to attend and vote at the meeting. However, in many cases, our subordinate voting shares beneficially owned by a holder (a “**Non-Registered Holder**”) are registered either:

- (a) in the name of an intermediary that the Non-Registered Holder deals with in respect of the shares, such as, among others, banks, trust companies, securities dealers, brokers, or trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a depository (such as CDS Clearing and Depository Services Inc. or Depository Trust Company).

In accordance with Canadian securities law, we are distributing copies of the notice of meeting, this Management Proxy Circular, the form of proxy, the audited consolidated financial statements of the Company for the financial year ended December 30, 2018 and the related management's discussion and analysis (collectively, the “**meeting materials**”) to the depositories and intermediaries for onward distribution to Non-Registered Holders. The Company does not intend to pay for intermediaries to forward the meeting materials to Non-Registered Holders and Non-Registered Holders will not receive the

meeting materials unless the intermediary assumes the cost of delivery.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, intermediaries will use service companies to forward the meeting materials to Non-Registered Holders. Non-Registered Holders who have not waived the right to receive meeting materials will:

- A. be given a proxy which has already been signed by the intermediary (typically by a facsimile, stamped signature) which is restricted to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it as described above; or
- B. more typically, receive, as part of the meeting materials, a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone or through the Internet).

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the shares they beneficially own. Should a Non-Registered Holder who receives either a proxy or a voting instruction form wish to attend and vote at the meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their intermediaries and their service companies.**

If you have given a proxy, you may revoke it by an instrument in writing executed by you or by your attorney authorized in writing or, if you are a corporation, under your corporate seal or by an officer or attorney duly authorized, and deposited either at our head office at any time up to and including the last business day preceding the day of the meeting, or any adjournment or postponement thereof, at which the proxy is to be used or with the chair or secretary of the meeting on the day of the meeting or any adjournment or postponement thereof. The exercise of a proxy does not constitute a written objection for the purposes of subsection 185(6) of the *Business Corporations Act* (Ontario) (the "OBCA").

A Non-Registered Holder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on a revocation of voting instruction form or of a waiver of the right to receive meeting materials and to vote that is not received by the intermediary at least seven days prior to the meeting.

Voting Shares and Principal Holders Thereof

As of March 19, 2019, we have 27,306,729 subordinate voting shares and 34,396,284 multiple voting shares outstanding (these are our only voting securities). Each subordinate voting share carries one vote per share at all meetings of shareholders except for separate meetings of holders of another class of shares. Each multiple voting share carries twenty-five votes per share at all meetings of shareholders except in certain circumstances (which have not occurred) and except for separate meetings of holders of another class of shares. The multiple voting shares are convertible into subordinate voting shares on a one-for-one basis at any time at the option of the holders thereof and automatically in certain other circumstances. The outstanding subordinate voting shares currently represent approximately 3.08% of the total votes attached to all classes of our outstanding voting securities.

The subordinate voting shares are "restricted securities" within the meaning of such term under applicable Canadian securities laws. Under applicable Canadian law, an offer to purchase multiple voting shares would not necessarily require that an offer be made to purchase subordinate voting shares. In accordance with the rules of the Toronto Stock Exchange (the "TSX"), the Company entered into a coattail agreement on April 10, 2015 with the holders of the multiple voting shares and a trustee (the "Coattail Agreement"). The Coattail Agreement is designed to ensure that, in the event of a take-over bid, the holders of subordinate voting shares will be entitled to participate on an equal footing with holders of multiple voting shares. The Coattail Agreement contains provisions customary for dual class, TSX-listed companies designed to prevent transactions that would otherwise deprive the holders of subordinate voting shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the multiple voting shares had been subordinate voting shares.

Each holder of our subordinate voting shares or multiple voting shares of record at the close of business on April 5, 2019 (the “**record date**” established for notice of the meeting and for voting in respect of the meeting) will be entitled to vote at the meeting or any adjournment or postponement thereof, either in person or by proxy. At least two shareholders, representing in person or by proxy at least 15% of our outstanding voting shares constitute a quorum at any meeting of shareholders.

Fairfax Financial Holdings Limited and its affiliates (“**Fairfax**”) owns 7,224,180 subordinate voting shares and 19,903,378 multiple voting shares, representing approximately 56.9% of the total votes attached to all classes of our voting shares (approximately 26.46% of the total votes attached to the subordinate voting shares and approximately 57.86% of the total votes attached to the multiple voting shares).

The Phelan family, through Cara Holdings Limited and its affiliates (“**Cara Holdings**”), owns 14,492,906 multiple voting shares, representing approximately 40.84% of the total votes attached to all classes of our voting shares (approximately 42.14% of the total votes attached to the multiple voting shares).

To the knowledge of our directors and officers, there are no other persons who (directly or indirectly) beneficially own, or control or direct, shares carrying 10% or more of the votes attached to any class of our voting shares.

Additional Information

You may obtain a copy of our latest annual information form, our audited consolidated financial statements for the financial year ended December 30, 2018 together with the report of the auditors thereon, management’s discussion and analysis of our financial condition and results of operations for the financial year ended December 30, 2018, any of our interim consolidated financial statements for periods subsequent to the end of our 2018 fiscal year and this Management Proxy Circular, upon request to our Corporate Secretary. If you are one of our securityholders, there will be no charge to you for these documents. You can also find these documents as well as additional information relating to the Company on our website (www.recipeunlimited.com) or on SEDAR (www.sedar.com). Financial Information is provided on the Company’s consolidated financial statements and related management’s discussion and analysis for its most recently completed financial year.

Shareholder Proposals for Next Year’s Annual Meeting of Shareholders

The OBCA permits certain eligible shareholders to submit shareholder proposals to us, which proposals may be included in a management proxy circular relating to an annual meeting of shareholders. The final date by which we must receive shareholder proposals for our annual meeting of shareholders to be held in 2020 is February 20, 2020.

SECTION II – BUSINESS OF THE MEETING

We will address five items at the meeting:

1. receiving the audited consolidated financial statements of the Company for the financial year ended December 30, 2018 and the auditors’ report thereon;
2. electing directors;
3. appointing the auditors and authorizing the directors to fix the auditors’ remuneration;
4. the adoption of an ordinary resolution approving the RSU Plan and ratifying certain grants of restricted share units; and
5. the adoption of an ordinary resolution approving the PSU Plan and ratifying certain grants of performance share units.

We will also consider other business that may properly come before the meeting.

1. Receiving the Audited Consolidated Financial Statements

The audited consolidated financial results for the financial year ended December 30, 2018 and the auditors’ report thereon will be presented at the meeting and shareholders will be given the opportunity to discuss these results with

management.

2. Election of Directors

A board of eight directors (the “**Board**”) is to be elected at the meeting to serve until the next annual meeting. Each nominee is voted for on an individual basis. Unless a shareholder specifies otherwise in a proxy, the persons named in the accompanying proxy intend to vote in favour of such resolution. However, in case any of the nominees should become unavailable for election for any presently unforeseen reason, the persons named in the proxy will have the right to use their discretion in selecting a substitute. The following information is submitted with respect to the nominees for director:

Names of nominees, offices held in Recipe (or significant affiliates) and principal occupations	Director since	Ownership or control over voting securities (subordinate voting shares) of Recipe ⁽¹⁾⁽²⁾
David Aisenstat Vice Chair of the Board of Recipe Unlimited Corporation President, Chief Executive Officer and Corporate Director of The Keg Restaurants Ltd. British Columbia, Canada	May 11, 2018	78,284
Christy Clark ⁽⁴⁾ Senior Advisor at Bennett Jones LLP Former Premier of British Columbia British Columbia, Canada	May 11, 2018	–
William D. Gregson Executive Chairman of the Board of Recipe Unlimited Corporation Ontario, Canada	October 31, 2013	1,093,444
Stephen K. Gunn ⁽³⁾ Co-Founder and Co-Chair of Sleep Country Canada Inc. Ontario, Canada	March 26, 2013	32,258
Christopher D. Hodgson ⁽³⁾⁽⁴⁾ President, Ontario Mining Association Ontario, Canada	April 10, 2015	–
Michael J. Norris ⁽³⁾ Corporate Director Ontario, Canada	January 2, 2012	26,828
John A. Rothschild ⁽⁴⁾ Corporate Director Ontario, Canada	October 31, 2013	259,110
Sean Regan ⁽⁴⁾ President of Cara Holdings Limited Ontario, Canada	April 10, 2015	–

(1) Details on all outstanding options and share-based awards held by our directors are described under “Executive Compensation Discussion and Analysis – Outstanding Option-Based Awards and Share-Based Awards” and “Director Compensation – Outstanding Options-Based Awards and Share Based Awards”. None of the option-based or share-based awards mentioned in this footnote are included in the numbers of subordinate voting shares shown in the above table.

- (2) Mr. Regan is the President of Cara Holdings Limited, which beneficially owns, controls or directs, directly or indirectly, 14,492,906 multiple voting shares, representing approximately 42.14% of our issued and outstanding multiple voting shares.
- (3) Member of the Audit Committee (Chair — Stephen K. Gunn).
- (4) Member of the Governance, Compensation and Nominating Committee (Chair — John A. Rothschild).

The information as to shares beneficially owned or controlled by each nominee, and certain of the biographical information provided below, not being within our knowledge, has been furnished by such nominee.

Legend:

BD — Board of Directors AC—Audit Committee GC&NC — Governance, Compensation and Nominating Committee

David Aisenstat – Mr. Aisenstat is the Vice Chair of the Board of Recipe Unlimited Corporation, a position he has held since May 11, 2018 and is the President, Chief Executive Officer and Director of Keg Restaurants Ltd. (“**KRL**”). Mr. Aisenstat has held his current position with The Keg since June 1997. Mr. Aisenstat previously served on the Board of Directors and Executive Committee of KRL from 1982 to 1987 when The Keg was acquired by Whitbread PLC. Mr. Aisenstat has also served as President of Hy’s of Canada Ltd., a fine dining steakhouse restaurant chain, and owns other fine dining restaurants such as Ki Modern Japanese & Bar, The Shore Club and Joe Fortes Seafood & Chop House.

Meetings Attended in 2018
5 of 5 BD ⁽¹⁾

Christy Clark – Ms. Clark is currently a senior advisor with the law firm Bennett Jones LLP. The Honorable Christy Clark led Canada’s third largest province, British Columbia, for over six years - managing a government with \$52B in revenues, 18 ministries, 27 crown corporations and over 125,000 employees. Throughout her tenure, Ms. Clark demonstrated the strongest performance of any Canadian Premier for economic growth, fiscal management and job creation. Ms. Clark retired from political life in 2017 as the longest serving female Premier in Canadian history and the only woman Premier in Canada ever to be re-elected.

Meetings Attended in 2018
5 of 5 BD ⁽¹⁾
1 of 1 GC&NC

William D. Gregson — Mr. Gregson is the Executive Chairman of the Board of the Company, a position he has held since May, 2018. Prior to this, Mr. Gregson held the position of Chairman of the Board since April 10, 2015. Mr. Gregson served as the Executive Chair of the board of directors of The Brick Ltd. from January, 2012 until March, 2013. Mr. Gregson was appointed President and Chief Executive Officer of The Brick Warehouse LP on July 10, 2009 and held that office until December 31, 2011. Prior to that, Mr. Gregson was the President and Chief Operating Officer of Forzani, where he worked for 11 years. Mr. Gregson is the Chair of the board of Sporting Life Group (a combination of Sporting Life and Golf Town) and Toys “R” Us Canada, a director of Peak Achievement Athletics and of The Keg Restaurants Ltd., and a former director of MEGA Brands Inc. and Shop.ca Network Inc. Mr. Gregson has a long and distinguished track record of over 30 years in retail operations. Mr. Gregson holds a Bachelor of Commerce degree from the University of Toronto.

Meetings Attended in 2018
8 of 8 BD

Stephen K. Gunn — Mr. Gunn is the Co-Chair of Sleep Country Canada Inc., a position he has held since 1997. He co-founded Sleep Country Canada in 1994 and served as its Chief Executive Officer from 1997 to 2014. Mr. Gunn was a management consultant with McKinsey & Company from 1981 to 1987 and then co-founded and was President of Kenrick Capital. Mr. Gunn is the Chairman of the Board of Dollarama Inc. where he has been on the Board since 2009 and he is a director of Canada Goose Holdings Inc. Mr. Gunn holds a Master of Business Administration from the University of Western Ontario and a B.Sc. degree in Electrical Engineering from Queen’s University.

Meetings Attended in 2018
8 of 8 BD
4 of 4 AC

Christopher D. Hodgson — Mr. Hodgson is the President of the Ontario Mining Association, President of Chris Hodgson Enterprises, a director of Fairfax India Holdings Corporation, Fairfax Africa Holdings Corporation and a director of Canadian Orebodies Inc. Mr. Hodgson previously served as Lead Director for The Brick Ltd. As a member of Ontario’s provincial parliament, Mr. Hodgson served as Minister of Natural Resources, Minister of Northern Development and Mines, Chairman of the Management Board of Cabinet, Commissioner of the Board of Internal Economy, and Minister of Municipal Affairs and Housing. Previously, he enjoyed a career in municipal government and real estate development and is an Honours Bachelor of Arts graduate from Trent University.

Meetings Attended in 2018

8 of 8 BD
4 of 4 AC
2 of 2 GC&NC

Michael J. Norris — Mr. Norris has been a director of the Company since January 2, 2012 and acted as Interim Chair of the Board from October 31, 2013 to April 10, 2015. He was Deputy Chair of RBC Capital Markets from 2003 through 2012. Prior to his appointment as Deputy Chair, Mr. Norris held numerous positions with RBC Capital Markets, including Head of the Energy Practice from 1992 through 1998 and Head of Global Investment Banking from 1998 through 2003. Prior to his career at RBC Capital Markets, Mr. Norris had a successful career with Mobil Oil and Gulf Canada. Mr. Norris currently sits on the board of Keyera Corporation and a number of private and non-profit organizations. Mr. Norris holds a B.Sc. degree in Civil Engineering from Queen’s University and holds a Master of Business Administration from the University of Western Ontario.

Meetings Attended in 2018

8 of 8 BD
4 of 4 AC

John A. Rothschild — Mr. Rothschild has been a board member of the Company since October, 2013. He retired from his position as Senior Vice President, Restaurant Development of the Company in November 2014, a position he had held since October 2013. Mr. Rothschild was the former Chief Executive Officer of Prime Restaurants Inc. (“**Prime**”) from 1992 to 2014. Mr. Rothschild has been a senior officer and member of the Boards of Directors of Prime’s predecessors since 1988. From 1979 until 1993, Mr. Rothschild worked for Claridge Inc. (formerly Cemp Investments Ltd.), rising to become Vice President of Investments, and then President of one of that company’s subsidiaries specializing in investing in small to medium sized businesses. Mr. Rothschild also sits on the boards of directors of several Canadian companies. Mr. Rothschild holds a Bachelor of Arts from the University of Toronto, a Master of Business Administration from the University of Western Ontario, and is a FCPA/FCA.

Meetings Attended in 2018

8 of 8 BD
2 of 2 GC&NC

Sean Regan — Mr. Regan is the President of Cara Holdings Limited, a position he has held since 2013. Mr. Regan was most recently Senior Vice President, Corporate Development at the Company in 2013, where he was responsible for acquisition and partnership opportunities and the Company’s gift card program. Prior to that, Mr. Regan ran the IT Group including the Call Centre Business at the Company from 2009 to 2013, at which time he led the Company’s business transformation process to the current cloud computing environment. Prior to his work at the Company, Mr. Regan was a commercial helicopter pilot operating in British Columbia. Mr. Regan holds a Master of Business Administration from the University of Western Ontario.

Meetings Attended in 2018

8 of 8 BD
2 of 2 GC&NC

(1) Mr. Aisenstat and Ms. Clark were elected to the Board in May 2018 and each attended all five 2018 board meetings and Ms. Clark attended one Governance, Compensation and Nominating Committee that took place after they were elected to the Board.

As of the date hereof, to the knowledge of the Company and based upon information provided to it by the nominees for election to the Board of Directors, no such nominee is or has been, in the last 10 years, a director or executive officer of any company that, while such person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except for Mr. Gunn who was previously a director of Golf Town Canada Inc., which was the issuer of equity securities and certain secured notes pursuant to an indenture dated July 24, 2012. Golf Town Canada Inc., together with certain of its Canadian affiliates (collectively, “**Golf Town**”), sought and obtained protection under the *Companies’ Creditors*

Arrangement Act (the “CCAA”) pursuant to an Initial Order of the Ontario Superior Court of Justice dated September 14, 2016. In connection with the CCAA proceedings, Golf Town completed a going concern sale of substantially all of its business and assets to an entity owned by Fairfax Financial Holdings Limited and certain funds managed by CI Investments Inc.

3. Appointment of Auditor and Remuneration

Information concerning fees paid to our external auditors for services they have rendered to us in each of the last two fiscal years can be found in our Annual Information Form under the heading “Audit Committee – External Auditor Service Fees”, which is available on SEDAR (www.sedar.com).

Unless a shareholder specifies otherwise in a proxy, the persons named in the accompanying proxy intend to vote in favour of the appointment of KPMG LLP as our auditors to hold office until the next annual meeting and authorize the directors to fix KPMG LLP’s remuneration. In order to be effective, the resolution to appoint KPMG LLP as our auditors and to authorize the directors to fix the auditors’ remuneration must be passed by a majority of the votes cast in person or by proxy at the meeting.

4. Shareholder Approval of the RSU Plan

On March 9, 2018 the Board approved a new long term incentive plan framework that aligns employee interests with shareholder interests. On March 6, 2019, the Board adopted the Restricted Share Unit Plan (the “RSU Plan”), a copy of which is attached hereto as Schedule “B”, subject to receipt of the requisite approvals of the TSX and the shareholders. The purpose of the RSU Plan is to assist the Company in attracting, retaining and motivating key employees and directors in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Company’s shareholders.

At the Meeting, shareholders will be asked to consider, and, if deemed appropriate, to pass, with or without variation, the Restricted Plan Resolution approving the adoption of the RSU Plan and ratifying the following grants to certain directors and key employees:

RSU Granted To	Grant Date	Number of RSU’s Granted ⁽¹⁾⁽²⁾	Number of RSU’s Earned and Outstanding	Vesting Date
William D. Gregson <i>Director and Executive Chairman of the Board</i>	August 9, 2018	8,099	nil	January 1, 2021
	May 10, 2018	37,500	37,500	May 5, 2021
	May 10, 2018	37,500	37,500	May 5, 2022
	January 1, 2019	8,329	n/a	January 1, 2022
Frank Hennessey <i>Chief Executive Officer</i>	August 9, 2018	8,099	5,730	January 1, 2021
	May 10, 2018	37,500	37,500	May 5, 2021
	May 10, 2018	37,500	37,500	May 5, 2022
	January 1, 2019	8,329	n/a	January 1, 2022
Kenneth J. Grondin <i>Chief Financial Officer</i>	August 9, 2018	8,099	3,094	January 1, 2021
	May 10, 2018	37,500	37,500	May 5, 2021
	May 10, 2018	37,500	37,500	May 5, 2022
	January 1, 2019	8,329	n/a	January 1, 2022
Other Key Employees	September 1, 2017 ⁽³⁾	9,042	9,042	September 1, 2020
	August 9, 2018	141,119	48,441	January 1, 2021
	January 1, 2019	145,121	n/a	January 1, 2022
Total		569,566	291,307	

⁽¹⁾ RSU’s are granted at the beginning of each year and are earned only if certain performance conditions are met. Performance criteria are assessed at the end of the fiscal year in which the RSU was granted. The number of RSU’s earned and outstanding represents RSU’s that have been earned as a result of achieving certain performance conditions.

⁽²⁾ RSU’s are granted based on an annual fixed dollar value of compensation, divided by a 5-day VWAP.

⁽³⁾ The RSUs were conditionally granted to certain key employees on terms to be set out in a RSU plan to be approved by the Board, the TSX and to be ratified by shareholders of the Company. A framework for the RSU grants were later approved by the Board on March 9, 2018.

The following is a summary of the principal terms of the RSU Plan, which is qualified in its entirety by reference to the text of the RSU Plan, a copy of which is attached hereto as Schedule “B”:

- The Board has sole and complete authority in its discretion to determine the individuals (from among the Participants (as defined in the RSU Plan)) to whom RSUs may be granted. Restricted share units (“RSUs”) are granted by the Board in such amounts and, subject to the provisions of the RSU Plan, on such terms and conditions as the Board determines, including any applicable limitations, restrictions, vesting period and conditions.
- The maximum number of subordinate voting shares that may be issued pursuant to all security-based compensation arrangements of the Company, shall be a maximum of fifteen percent (15%) of the issued and outstanding Shares from time to time. No RSUs may be granted if such grant would have the effect of causing the total number of subordinate voting shares subject to RSUs (including all other security-based compensation arrangements of the Company, collectively), to exceed the above-noted total number of subordinate voting shares reserved for issuance pursuant to the exercise of RSUs.
- No assignment or transfer of RSUs, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such RSUs whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such RSUs will terminate and be of no further force or effect.
- Subject to any accelerated termination as set forth in the RSU Plan, each RSU, unless otherwise specified by the Plan Administrator (as defined in the RSU Plan), expires ten (10) years from the date of grant of such RSU.
- Exercise period and vesting provisions under the RSU Plan are as follows:
 - Unless otherwise specified by the Plan Administrator at the time of granting an RSU and except as otherwise provided in the RSU Plan, each earned RSU will vest on the third (3rd) anniversary of the date of grant of such RSU unless vesting is accelerated as provided for in the RSU Plan.
 - Unless otherwise specified by the Plan Administrator at the time of granting an RSU and except as otherwise provided in the RSU Plan, each vested RSU shall be exercisable from the third (3rd) anniversary of the date of grant of such RSU, until the tenth (10th) anniversary of the date of grant unless otherwise provided for in the RSU Plan.
 - Once an RSU becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the RSU, unless otherwise specified by the Plan Administrator. Each RSU may be exercised at any time or from time to time, in whole or in part, for up to the total number of subordinate voting shares with respect to which it is then exercisable.
- Subject to the RSU Plan or unless otherwise specified by the Plan Administrator at the time of granting an RSU, if a Participant dies or becomes disabled while an employee or director of the Company or a Related Entity (as defined in the RSU Plan) of the Company or if the employment or term of office of the Participant with the Company or a Related Entity of the Company terminates due to retirement:
 - the executor or administrator of the Participant’s estate or the Participant may exercise any RSUs of the Participant to the extent that the RSUs have vested as at the date of such death, disability or retirement and the right to exercise such RSUs terminates on the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; (ii) the date that is one hundred and eighty (180) days after the Participant’s death or disability; or (iii) the date that is two (2) years after the Participant’s retirement; and
 - earned RSUs where the applicable Performance Conditions (as defined in the RSU Plan) have been satisfied but have not vested by the applicable Termination Date (as defined in the RSU Plan)

will accelerate and vest on a pro-rata basis, up to the applicable Termination Date.

- A Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the date of such Participant's death, disability or retirement.
- Subject to the RSU Plan, or unless otherwise specified by the Plan Administrator at the time of granting an RSU:
 - Where, in the case of an Employee Participant (as defined in the RSU Plan), such employment is terminated by the Company or a Related Entity of the Company without cause, then any RSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is ninety (90) days after the Termination Date. Any RSUs held by the Participant that have not vested as at the Termination Date immediately expire and are cancelled on the Termination Date.
 - Where, in the case of an Employee Participant, such employment terminates by reason of: (i) termination by the Company or a Related Entity of the Company for cause; or (ii) voluntary resignation by the Participant, then any RSUs held by the Participant, that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
 - Where, in the case of an Employee Participant, such employment terminates by reason of voluntary resignation by the Employee Participant, then the RSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is ninety (90) days after the Termination Date.
 - Where, in the case of an Employee Participant, such employment terminates by reason of termination by the Company or a Related Entity of the Company for cause then any RSUs held by the Employee Participant, that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is ninety (90) days after the Termination Date, provided the Employee Participant's termination is not due to criminal act (as determined by the Plan Administrator in its sole discretion), in which case the Employee Participant's right to exercise shall not apply and the vested RSUs shall immediately expire and be cancelled on the Termination Date.
 - Where, in the case of a director, a Participant ceases to hold office by reason of (i) removal by the shareholders of the Company or of the Related Entity of the Company may be, or (ii) voluntary resignation by the Participant, then any RSUs held by the Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is sixty (60) days after the Termination Date. Any RSUs held by the Participant that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
 - Where, in the case of a director, a Participant ceases to hold office and it was determined by the Plan Administrator (in its sole discretion) that such director committed a criminal act then any RSUs held by the Participant, whether or not they have vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
 - A Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the date that the Company or a Related Entity of the Company provides the Participant with written notification that the Participant's employment is terminated, notwithstanding that such date may be prior to the Termination Date.
 - At any time and from time to time, unless the Plan Administrator, in its discretion, otherwise determines, RSUs are not affected by a change of employment or service within or among the Company or a Related Entity of the Company for so long as the Employee Participant continues to

be an employee of the Company or for so long as the director continues to be a director or officer of the Company.

- In the case of a Liquidity Event (as defined in the RSU Plan) all granted and unvested RSUs that have been earned by achieving the applicable Performance Conditions shall vest on an accelerated basis.
- Although dividends may be declared and paid on subordinate voting shares, additional RSUs shall not be credited to the Participant's RSU account if any dividends are declared/paid.
- If there is any change in the outstanding subordinate voting shares by reason of any stock dividend or split, or in connection with a reclassification, reorganization, consolidation, distribution, merger or amalgamation or other change of subordinate voting shares, the Board shall make, the appropriate substitution or adjustment in order to maintain the Participants' economic rights in respect of their RSUs in connection with such change, including without limitation adjustments to the number of RSUs recorded in the Participant's notional account
- The Board may amend, suspend or terminate the RSU Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX), if any, that require the approval of securityholders or any governmental or regulatory body. However, except as expressly set forth therein, no action of the Board or securityholders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any RSUs previously granted to the Participant. Without limiting the generality of the foregoing, the Board may make the following types of amendments to the RSU Plan without seeking securityholder approval: (i) amendments of a "housekeeping" or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in the RSU Plan or to correct or supplement any provision of the RSU Plan that is inconsistent with any other provision of the RSU Plan; (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX); (iii) amendments necessary for grants to qualify for favourable treatment under applicable tax laws; (iv) any amendment to the vesting provisions of the RSU Plan or any RSU, provided such amendment does not entail an extension beyond the expiry of the Exercise Period; (v) any amendment to the termination or early termination provisions of the RSU Plan or any RSU; and (vi) amendments necessary to suspend or terminate the RSU Plan.
- Securityholder approval will be required for the following types of amendments to the RSU Plan: (i) amendments to the number of subordinate voting shares issuable under the RSU Plan, including an increase to a fixed maximum percentage of subordinate voting shares or a change from a fixed maximum percentage of subordinate voting shares to a fixed maximum number; (ii) any amendment to the RSU Plan that increases the length of the period after a blackout period during which RSUs may be exercised; (iii) any amendment extending the term of an RSU held by an insider beyond the expiry of its Exercise Period, except as provided under Section 4.2 of the RSU Plan; (iv) any amendment to the amendment provisions granting additional powers to the Board to amend the RSU Plan without securityholder approval; (v) any amendment which would allow for the transfer or assignment of RSUs under the RSU Plan, other than for normal estate settlement purposes; and (vi) amendments required to be approved by securityholders under applicable law (including the rules, regulations and policies of the TSX).
- If the RSU Plan is terminated, the provisions of the RSU Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any RSU or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the RSU Plan, the Board will remain able to make such amendments to the RSU Plan or the RSU as they would have been entitled to make if the RSU Plan were still in effect.

The Restricted Plan Resolution is an ordinary resolution, which must be passed by more than 50% of the votes cast by those shareholders entitled to vote, whether in person or by proxy, excluding the votes cast by shareholders and their associates and affiliates benefitting from the RSU Plan. In addition, holders of subordinate voting shares are entitled to vote with holders of multiple voting shares on a basis proportionate to their residual equity interests in the Company. **In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the shares represented thereby FOR the Restricted Plan Resolution.**

The Restricted Plan Resolution is as follows:

“BE IT RESOLVED as ordinary resolutions of Recipe Unlimited Corporation (the “**Company**”) that:

1. the adoption of the Restricted Share Unit Plan (“**RSU Plan**”) as described in the management information circular of the Company dated April 3, 2019 is hereby approved, ratified and confirmed;
2. the granting of the Company, subject to receipt of all necessary regulatory approvals of the RSU Plan, of an aggregate of 559,566 RSUs (as defined in the RSU Plan) to Mr. Gregson, Mr. Grondin, Mr. Hennessey and select key employees in 2018 and 2019 is hereby ratified and approved;
3. the Company is hereby authorized and directed to issue such subordinate voting shares pursuant to the RSU Plan as fully paid and non-assessable subordinate voting shares of the Company; and
4. any one director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution.”

The Board recommends that shareholders vote in favour of the Restricted Plan Resolution. Unless a shareholder directs that his or her shares are to be voted against this resolution, the persons named in the enclosed form of proxy intend vote **FOR** the Restricted Plan Resolution.

5. Shareholder Approval of the PSU Plan

On March 9, 2018 the Board approved a new long term incentive plan framework that aligns employee interests with shareholder interests. On March 6, 2019, the Board adopted the Performance Share Unit Plan (the “**PSU Plan**”), a copy of which is attached hereto as Schedule “C”, subject to receipt of the requisite approvals of the TSX and the shareholders. The purpose of the PSU Plan is to assist the Company in attracting, retaining and motivating key employees and directors in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Company’s shareholders.

PSU’s will be granted at the beginning of each year and are earned when certain target long-term performance conditions are achieved. The total number of PSU’s earned can double if maximum performance conditions are met.

At the Meeting, shareholders will be asked to consider, and, if deemed appropriate, to pass, with or without variation, the Performance Share Resolution approving the adoption of the PSU Plan and following grants to certain directors and key employees:

RSU Granted To	Grant Date	Target PSU Grant ⁽¹⁾⁽²⁾	Maximum PSU Grant ⁽¹⁾⁽²⁾
William D. Gregson <i>Director and Executive Chairman of the Board</i>	August 9, 2018	5,730	11,461
	January 1, 2019	5,893	11,786
Frank Hennessey <i>Chief Executive Officer</i>	August 9, 2018	10,506	21,011
	January 1, 2019	10,804	21,607
Kenneth J. Grondin <i>Chief Financial Officer</i>	August 9, 2018	5,730	11,461
	January 1, 2019	5,893	11,786
Other Key Employees	November 30, 2017 ⁽³⁾	60,000	100,000
	August 9, 2018	15,281	30,562
	January 1, 2019	15,714	31,429
Total		135,551	251,103

⁽¹⁾ PSU’s are granted at the beginning of each year and are earned only if certain performance conditions are met. PSU performance conditions are based on certain 3-year targets. PSU’s are earned only if the target is achieved at the end of the 3-year period and vest 5 years from the grant date.

⁽²⁾ PSU’s are granted based on an annual fixed dollar value of compensation, divided by a 5-day VWAP.

⁽³⁾ The PSUs were conditionally granted to certain key employees on terms to be set out in a PSU plan to be approved by the Board, the TSX and to be

ratified by shareholders of the Company. A framework for the PSU grants were later approved by the Board on March 9, 2018.

The following is a summary of the principal terms of the PSU Plan, which is qualified in its entirety by reference to the text of the PSU Plan, a copy of which is attached hereto as Schedule "C":

- The Board has sole and complete authority in its discretion to determine the individuals (from among the Participants (as defined in the PSU Plan)) to whom PSUs may be granted. Performance share units ("PSUs") are granted by the Board in such amounts and, subject to the provisions of the PSU Plan, on such terms and conditions as the Board determines, including any applicable limitations, restrictions, vesting period and conditions.
- The maximum number of subordinate voting shares that may be issued pursuant to all security-based compensation arrangements of the Company, shall be a maximum of fifteen percent (15%) of the issued and outstanding Shares from time to time. No PSUs may be granted if such grant would have the effect of causing the total number of subordinate voting shares subject to PSUs (including all other security-based compensation arrangements of the Company, collectively), to exceed the above-noted total number of subordinate voting shares reserved for issuance pursuant to the exercise of PSUs.
- No assignment or transfer of PSUs, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such PSUs whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such PSUs will terminate and be of no further force or effect.
- Subject to any accelerated termination as set forth in the PSU Plan, each PSU, unless otherwise specified by the Plan Administrator (as defined in the PSU Plan), expires ten (10) years from the date of grant of such PSU.
- Exercise period and vesting provisions under the PSU Plan are as follows:
 - Unless otherwise specified by the Plan Administrator at the time of granting a PSU and except as otherwise provided in the PSU Plan, each earned PSU will vest on the fifth (5th) anniversary of the date of grant of such PSU unless vesting is accelerated as provided for in the PSU Plan.
 - Unless otherwise specified by the Plan Administrator at the time of granting a PSU and except as otherwise provided in the PSU Plan, each vested PSU shall be exercisable from the fifth (5th) anniversary of the date of grant of such PSU, until the tenth (10th) anniversary of the date of grant unless otherwise provided for in the PSU Plan.
 - Once a PSU becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the PSU, unless otherwise specified by the Plan Administrator. Each PSU may be exercised at any time or from time to time, in whole or in part, for up to the total number of subordinate voting shares with respect to which it is then exercisable.
- Subject to the PSU Plan or unless otherwise specified by the Plan Administrator at the time of granting a PSU, if a Participant dies or becomes disabled while an employee or director of the Company or a Related Entity (as defined in the PSU Plan) of the Company or if the employment or term of office of the Participant with the Company or a Related Entity of the Company terminates due to retirement:
 - the executor or administrator of the Participant's estate or the Participant may exercise any PSUs of the Participant to the extent that the PSUs have vested as at the date of such death, disability or retirement and the right to exercise such PSUs terminates on the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; (ii) the date that is one hundred and eighty (180) days after the Participant's death or disability; or (iii) the date that is two (2) years after the Participant's retirement; and
 - PSUs that have earned the applicable Performance Conditions (as defined in the PSU Plan) but have not vested by the applicable Termination Date (as defined in the PSU Plan) will accelerate

and vest on a pro-rata basis, up to the applicable Termination Date.

- A Participant's eligibility to receive further grants of PSUs under this Plan ceases as of the date of such Participant's death, disability or retirement.
- Subject to the PSU Plan, or unless otherwise specified by the Plan Administrator at the time of granting a PSU:
 - Where, in the case of an Employee Participant (as defined in the PSU Plan), such employment is terminated by the Company or a Related Entity of the Company without cause, then any PSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is ninety (90) days after the Termination Date. Any PSUs held by the Participant that have not vested as at the Termination Date immediately expire and are cancelled on the Termination Date.
 - Where, in the case of an Employee Participant, such employment terminates by reason of: (i) termination by the Company or a Related Entity of the Company for cause; or (ii) voluntary resignation by the Participant, then any PSUs held by the Participant, that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
 - Where, in the case of an Employee Participant, such employment terminates by reason of voluntary resignation by the Employee Participant, then the PSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is ninety (90) days after the Termination Date.
 - Where, in the case of an Employee Participant, such employment terminates by reason of termination by the Company or a Related Entity of the Company for cause then any PSUs held by the Employee Participant, that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is ninety (90) days after the Termination Date, provided the Employee Participant's termination is not due to criminal act (as determined by the Plan Administrator in its sole discretion), in which case the Employee Participant's right to exercise shall not apply and the vested PSUs shall immediately expire and be cancelled on the Termination Date.
 - Where, in the case of a director, a Participant ceases to hold office by reason of (i) removal by the shareholders of the Company or of the Related Entity of the Company may be, or (ii) voluntary resignation by the Participant, then any PSUs held by the Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is sixty (60) days after the Termination Date. Any PSUs held by the Participant that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
 - Where, in the case of a director, a Participant ceases to hold office and it was determined by the Plan Administrator (in its sole discretion) that such director committed a criminal act then any PSUs held by the Participant, whether or not they have vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
 - A Participant's eligibility to receive further grants of PSUs under this Plan ceases as of the date that the Company or a Related Entity of the Company provides the Participant with written notification that the Participant's employment is terminated, notwithstanding that such date may be prior to the Termination Date.
 - At any time and from time to time, unless the Plan Administrator, in its discretion, otherwise determines, PSUs are not affected by a change of employment or service within or among the Company or a Related Entity of the Company for so long as the Employee Participant continues to

be an employee of the Company or for so long as the director continues to be a director or officer of the Company.

- In the case of a Liquidity Event (as defined in the PSU Plan) all granted and unvested PSUs that have been earned by achieving the applicable Performance Conditions shall vest on an accelerated basis.
- Although dividends may be declared and paid on subordinate voting shares, additional PSUs shall not be credited to the Participant's PSU account if any dividends are declared/paid.
- If there is any change in the outstanding subordinate voting shares by reason of any stock dividend or split, or in connection with a reclassification, reorganization, consolidation, distribution, merger or amalgamation or other change of subordinate voting shares, the Board shall make, the appropriate substitution or adjustment in order to maintain the Participants' economic rights in respect of their PSUs in connection with such change, including without limitation adjustments to the number of PSUs recorded in the Participant's notional account
- The Board may amend, suspend or terminate the PSU Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX), if any, that require the approval of securityholders or any governmental or regulatory body. However, except as expressly set forth therein, no action of the Board or securityholders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any PSUs previously granted to the Participant. Without limiting the generality of the foregoing, the Board may make the following types of amendments to the PSU Plan without seeking securityholder approval: (i) amendments of a "housekeeping" or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in the PSU Plan or to correct or supplement any provision of the PSU Plan that is inconsistent with any other provision of the PSU Plan; (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX); (iii) amendments necessary for grants to qualify for favourable treatment under applicable tax laws; (iv) any amendment to the vesting provisions of the PSU Plan or any PSU, provided such amendment does not entail an extension beyond the expiry of the Exercise Period; (v) any amendment to the termination or early termination provisions of the PSU Plan or any PSU; and (vi) amendments necessary to suspend or terminate the PSU Plan.
- Securityholder approval will be required for the following types of amendments to the PSU Plan: (i) amendments to the number of subordinate voting shares issuable under the PSU Plan, including an increase to a fixed maximum percentage of subordinate voting shares or a change from a fixed maximum percentage of subordinate voting shares to a fixed maximum number; (ii) any amendment to the PSU Plan that increases the length of the period after a blackout period during which PSUs may be exercised; (iii) any amendment extending the term of a PSU held by an insider beyond the expiry of its Exercise Period, except as provided under Section 4.2 of the PSU Plan; (iv) any amendment to the amendment provisions granting additional powers to the Board to amend the PSU Plan without securityholder approval; (v) any amendment which would allow for the transfer or assignment of PSUs under the PSU Plan, other than for normal estate settlement purposes; and (vi) amendments required to be approved by securityholders under applicable law (including the rules, regulations and policies of the TSX).
- If the PSU Plan is terminated, the provisions of the PSU Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any PSU or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the PSU Plan, the Board will remain able to make such amendments to the PSU Plan or the PSU as they would have been entitled to make if the PSU Plan were still in effect.

The Performance Share Resolution is an ordinary resolution, which must be passed by more than 50% of the votes cast by those shareholders entitled to vote, whether case in person or by proxy, excluding the votes cast by shareholders and their associates and affiliates benefitting from the PSU Plan. In addition, holders of subordinate voting shares are entitled to vote with holders of multiple voting shares on a basis proportionate to their residual equity interests in the Company. **In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the shares represented thereby FOR the Performance Share Resolution.**

The Performance Share Resolution is as follows:

“BE IT RESOLVED as ordinary resolutions of Recipe Unlimited Corporation (the “**Company**”) that:

1. the adoption of the Performance Share Unit Plan (“**PSU Plan**”) as described in the management information circular of the Company dated April 3, 2019 is hereby approved, ratified and confirmed;
2. the granting of the Company, subject to receipt of all necessary regulatory approvals of the PSU plan, of an aggregate maximum 251,103 PSUs (as defined by the PSU plan) to select key employees and directors in 2017, 2018 and 2019 is hereby ratified and approved;
3. the Company is hereby authorized and directed to issue such subordinate voting shares pursuant to the PSU Plan as fully paid and non-assessable subordinate voting shares of the Company; and
4. any one director or officer of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution.”

The Board recommends that shareholders vote in favour of the Performance Share Resolution. Unless a shareholder directs that his or her shares are to be voted against this resolution, the persons named in the enclosed form of proxy intend vote **FOR** the Performance Share Resolution.

Other Business

Our management is not aware of any other matters which are to be presented at the meeting. However, if any matters other than those referred to herein should be presented at the meeting, the persons named in the enclosed proxy are authorized to vote the shares represented by the proxy in their discretion and in accordance with their best judgment.

SECTION III – EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS

Overview

The following discussion describes the significant elements of the compensation of the Company’s Executive Chairman of the Board, Chief Executive Officer; Chief Financial Officer; Vice Chair and President, Groupe St-Hubert (collectively, the “**named executive officers**” or “**NEOs**”), namely:

- William D. Gregson, Executive Chairman of the Board
- Frank Hennessey, Chief Executive Officer;
- Kenneth J. Grondin, Chief Financial Officer;
- David Aisenstat, Vice Chair; and
- Pierre Rivard, President, Groupe St-Hubert.

Compensation Discussion and Analysis

Overview

The Governance, Compensation and Nominating Committee, in consultation with the Chief Executive Officer, is responsible for establishing, reviewing and overseeing the compensation policies of the Company and compensation of the executive officers. The Company’s executive compensation program is designed to attract, retain and motivate highly qualified executives while also aligning the interests of the executives with the Company’s shareholders.

Our executive compensation program is designed to (i) align the interests of our executives with our shareholders by linking compensation with our performance, and (ii) to be competitive on a total compensation basis in order to attract and retain executives. The remuneration of our NEOs consists of an annual base salary, an annual bonus and long-term equity incentives, consisting of options granted from time to time under the Company’s 2015 share option plan (the “**Share Option**”).

Plan”). Effective 2019, the Company’s long-term equity-based incentive compensation program for the NEOs consists of options granted under the Share Option Plan, RSUs granted under the RSU Plan and PSUs granted under the PSU Plan. Perquisites and personal benefits are not a significant element of compensation of our executive officers.

Each year, our Chief Executive Officer makes compensation recommendations to the Governance, Compensation and Nominating Committee in consideration of the achievements of our executive team during the year and our corporate objective to achieve a high rate of return on invested capital and build long-term shareholder value. The Governance, Compensation and Nominating Committee evaluates the factors considered by our Chief Executive Officer along with information provided by the Company’s human resources department gathered from third party sources and surveys detailing market compensation ranges for executive officers of similar enterprises and decides whether to approve or adjust the recommendations for compensation of our executive officers. The Governance, Compensation and Nominating Committee separately considers the compensation for our Chief Executive Officer, as more fully described below.

Mr. Gregson, in his previous role as Chief Executive Officer, proposed to our Governance, Compensation and Nominating Committee the remuneration of our executive officers for 2018. The Governance, Compensation and Nominating Committee considered the proposals by Mr. Gregson, which included a description of the accomplishments of our executives. The Governance, Compensation and Nominating Committee evaluated and approved the compensation of our executive officers for 2018. Details of the compensation awarded to our named executive officers for 2016 to 2018 are shown in the “Summary Compensation Table” below.

Compensation Risk

In reviewing the compensation policies and practices of the Company each year, the Governance, Compensation and Nominating Committee seeks to ensure that the executive compensation program provides an appropriate balance of risk and reward consistent with the risk profile of the Company. The Governance, Compensation and Nominating Committee also seek to ensure that the Company’s compensation practices do not encourage excessive risk-taking behaviour by the executive team. The Company’s long-term incentive plan has been designed to focus on the long-term performance of the Company, which discourages executives from taking excessive risks in order to achieve short-term, unsustainable performance.

All of the Company’s executives, including the NEOs, directors and senior employees are subject to the Company’s insider trading policy, which prohibits trading in the securities of the Company while in possession of material undisclosed information about the Company. Under this policy, such individuals are also be prohibited from entering into certain types of hedging transactions involving the securities of the Company, such as short sales, puts and calls, that are designed to hedge or offset any decrease in market value of our equity securities. Furthermore, the Company permits executives, including the NEOs, to trade in the Company’s securities, including the exercise of options, only during prescribed trading windows.

Base salaries

A primary element of the Company’s compensation program is base salary. The Company’s view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount payable to an executive officer is determined based on the scope of the executive’s responsibilities and prior experience, while taking into account competitive market compensation and overall market demand for such executives at the time of hire.

Base salaries are reviewed annually and increased for merit reasons based on the executive’s success in meeting or exceeding Company and individual objectives. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of an executive’s role or responsibilities, as well as for market competitiveness.

Annual bonuses

Annual bonuses are designed to motivate executive officers to meet the Company's business objectives and, in particular, annual financial performance targets. Bonuses are earned and measured with reference to the Company's Operating EBITDA (as defined in our Annual Information Form) and, where applicable, that of any specific brand(s) for which the applicable executive officer has responsibility. Annual bonus targets are set as a percentage of the relevant individuals' base salary (generally 25% of base salary) and can double (up to 50% of base salary) base salary, if maximum financial performance targets are achieved. The Company sets Operating EBITDA targets each year in connection with the annual budget process to ensure that bonus targets are realized at predetermined levels of Operating EBITDA growth, representing a significant improvement over the prior year and/or budget. Under the current program, all bonus payouts are rendered in cash. In the case of David Aisenstat, his Management Agreement (as defined below) provides that he will be entitled to an annual discretionary bonus of between \$150,000 and \$750,000, the amount each year to be determined by the Board.

For 2018, bonus targets were set based on improved Operating EBITDA performance over 2017. The overall portion of 2018 annual bonuses was generally paid out at 10% of target base salary for eligible participants. Like 2018, 2019 annual bonus targets have been set based on improving Operating EBITDA performance as compared to 2018.

Long-term incentives

Share Option Plan

Our executive officers, along with other employees and non-employee directors, are eligible to participate in the Share Option Plan. The purpose of the Share Option Plan is to motivate and provide rewards for the senior management team and other plan participants to achieve long-term goals of improving the performance of the Company and increasing shareholder value. Under the Share Option Plan, the Company awards long-term incentives in the form of options, the values of which are directly linked to the change in value of the subordinate voting shares.

Executives and employees eligible for grants under the Share Option Plan generally receive them as determined by the Board from time to time on an annual basis. The value of awards under the Share Option Plan is based on an employee's seniority of job function. All grants are reviewed and approved by the Governance, Compensation and Nominating Committee and the Board as part of its regular compensation review.

Administration

The Share Option Plan is administered by the Board. The Board determines which employees and non-employee directors of the Company or a related entity of the Company are eligible to receive options to purchase subordinate voting shares ("**Options**") under the Share Option Plan. In addition, the Board administers and interprets the Share Option Plan and may adopt, amend, prescribe or rescind any administrative guidelines or other rules and regulations relating to the Share Option Plan, as it deems appropriate, to the extent permitted by applicable law (including stock exchange rules). On May 12, 2015, the Board delegated the authority to determine the number of Options to be granted to the management level directors, lead chefs, vice presidents, senior vice presidents, the Chief Executive Officer and the Chief Financial Officer to Mr. Gregson, subject to confirmation by the Board.

To the extent permitted by law, the Board may delegate its powers under the Share Option Plan to the Governance, Compensation and Nominating Committee. In such event, the Governance, Compensation and Nominating Committee will exercise the powers delegated to it by the Board in the manner and on such terms authorized by the Board, and all decisions made, or actions taken, by the Governance, Compensation and Nominating Committee arising in connection with the administration or interpretation of the Share Option Plan, within its delegated authority, are final and conclusive.

Eligibility

All current non-employee directors and employees of the Company or related entities of the Company are eligible to participate in the Share Option Plan.

Subordinate Voting Shares Subject to the Share Option Plan and Participation Limits

The Share Option Plan provides that the number of subordinate voting shares available for issuance upon exercise of

options (including Options, options granted under the Legacy Share Option Plan (as defined below)), options granted under the Legacy CEO Share Option Plan (as defined below) (“**CEO Options**”) and options granted under the director share option plan (“**Director Options**”) (collectively, the “**Option Plans**”) will not exceed 15% of the Company’s issued and outstanding Shares from time to time. If, for any reason, any Options or CEO Options terminate prior to their exercise in full or are exercised or cancelled, the subordinate voting shares subject to such Options or CEO Options, as the case may be, will again become available for issuance under the Share Option Plan. As a result, the Share Option Plan is considered an “evergreen” plan. Accordingly, pursuant to the rules of the TSX, the Share Option Plan will be subject to ratification of the unallocated entitlements by securityholders other than insiders eligible to participate in the Share Option Plan, every three years. The Share Option Plan is not subject to any insider or other participation limits. The Share Option Plan is herein presented in the Business of the Meeting section of this document under the heading “Shareholder Ratification of Unallocated Entitlements under the Share Option Plan”. Thereafter, the Share Option Plan will next be presented to the shareholders of the Company for ratification of the unallocated entitlements under its evergreen plan at the Company’s 2021 Annual Meeting.

As at March 19, 2019, 7,407,523 options were outstanding under the Option Plans, representing approximately 12% of the Company’s issued and outstanding shares. The total number of options outstanding represents 698,067 Options outstanding under the Legacy Share Option Plan, 4,290,101 options outstanding under the Share Option Plan, 2,419,355 CEO Options granted under the Legacy CEO Share Option Plan and nil Director Options granted under the director share option plan and the Legacy Director Share Option Plan.

Security Based Award Burn Rate for the Last Three Years

Pursuant to TSX rules, the Company is required to calculate and disclose the annual “burn rate” of its Options and any other security based awards for the three most recently completed financial years. The annual burn rate is equal to the number of options and any other security based awards granted in the applicable year, divided by the weighted average number of Shares outstanding in that year, expressed as a percentage. The Company’s average burn rate over the last three financial years is 2.44%.

Financial Year End	Burn Rate (%)
December 26, 2016	0.17%
December 31, 2017	0.89%
December 30, 2018	6.31%

Exercise and Vesting

The Board may grant Options to any participant under the Share Option Plan at any time. The exercise price for Options will be determined by the Board, but may not be less than the greater of (i) the fair market value of a subordinate voting share (generally being the volume weighted average trading price of the subordinate voting shares on the TSX during the five trading days immediately preceding the applicable day (the “**Market Value**”)) on the date the Option is granted, and (ii) the price required by applicable regulatory authorities.

Unless otherwise specified in a participant’s option agreement, Options will vest on the third anniversary of their date of grant. Each vested Option becomes exercisable on the later of (i) January 1, 2019, and (ii) the third anniversary of the date of grant. Unless otherwise specified by the Board, each Option expires on the eighth anniversary of the date of grant, except in the case where the expiry period falls during a blackout period, in which case the expiry period will be automatically extended until 10 business days after the end of the blackout period. The Share Option Plan also provides for earlier expiration of Options upon the occurrence of certain events, including the termination of a participant’s employment.

In order to facilitate the payment of the exercise price in respect of the Options, the Share Option Plan has a cashless exercise feature. The participant may elect to receive (i) an amount in cash per Option equal to the cash proceeds realized upon the sale of the subordinate voting shares by a securities dealer in the capital markets, less the applicable exercise price and any applicable withholding taxes, (ii) an aggregate number of subordinate voting shares that is equal to the number of subordinate voting shares underlying the Options minus the number of subordinate voting shares sold by a securities dealer in

the capital markets as required to realize cash proceeds equal to the applicable exercise price and any applicable withholding taxes, or (iii) a combination of (i) and (ii). The transfer cost incurred to sell the subordinate voting shares will be deducted from the net proceeds payable to the participant.

Termination of Employment

Unless otherwise permitted by the Board, upon a participant's qualified retirement after 2019, death or disability, any unvested Options held by the participant as at the termination date will accelerate and vest on a *pro rata* basis up to the termination date. All of a participant's vested Options may be exercised until the earlier of (i) the expiry date of the Options, or (ii) 180 days after the termination date, after which time all Options will expire. The concept of retirement is qualified in accordance with the terms of the Share Option Plan.

Unless otherwise permitted by the Board, upon termination of a participant's employment without cause, any vested Options held by the participant as at the termination date may be exercised until the earlier of (i) the expiry date of the Options, or (ii) 90 days after the termination date, after which time all Options will expire. Any unvested Options held by the participant as at the termination date immediately expire.

Unless otherwise permitted by the Board, upon termination of a participant's employment for cause or the participant voluntarily resigns, any unvested Options held by the participant as at the termination date immediately expire. If a participant's employment is terminated by voluntary resignation, then the participant's vested Options continue to be exercisable until the earlier of (a) the expiry date of the Options, or (b) 90 days after the termination date, after which time all Options will expire. If a participant's employment is terminated for cause, any vested Options may be exercised until the earlier of (i) the expiry date of the Options, or (ii) 90 days after the termination date (provided the termination is not due to a criminal act, in which case all vested Options will immediately expire), after which time all Options will expire.

Unless otherwise permitted by the Board, if the participant is a director who ceases to hold office as a result of (i) his or her removal by shareholders, or (ii) voluntary resignation, any vested Options held by the participant as at the termination date may be exercised until the earlier of (a) the expiry date of the Options, or (b) 60 days after the termination date (provided the termination is not due to a criminal act, in which case all vested Options will immediately expire), after which time all Options will expire. Any unvested Options held by the participant as at the termination date immediately expire.

Adjustments

In the event of any change in the Company's capital structure, the payment of an extraordinary stock dividend or any other change made in the capitalization of the Company, that, in the opinion of the Board, would warrant the amendment or replacement of any existing Options (collectively, the "**Adjustment Events**"), the Share Option Plan provides for appropriate adjustments in the number of subordinate voting shares that may be acquired upon the exercise of Options or the exercise price of outstanding Options (collectively, the "**Adjustments**"), as necessary in order to preserve proportionately the rights and obligations of the participants under the Share Option Plan.

In the event of an amalgamation, combination, merger or other reorganization involving the Company by exchange of subordinate voting shares, by sale or lease of assets or otherwise, that, in the opinion of the Board, warrants the replacement or amendment of any existing Options, the Board may make Adjustments in order to preserve proportionately the rights and obligations of the participants under the Share Option Plan.

In the event that the Board determines that the Adjustments would not preserve proportionately the rights and obligations of the participants, or the Board otherwise determines it is appropriate, the Board may permit the vesting and/or exercise of any outstanding Options that are not otherwise vested and/or exercisable and the cancellation of any outstanding Options which are not exercised within any specified period.

Amendment or Discontinuance

The Board may, at any time, amend, suspend or terminate the Share Option Plan, or any portion thereof, subject to applicable law (including stock exchange rules) that requires the approval of securityholders or any governmental or regulatory body, provided that no such action may be taken that adversely alters or impairs any rights of a participant under any Option previously granted without the consent of such affected participant.

Notwithstanding the above, the Board may make amendments to the Share Option Plan without seeking

securityholder approval, including, for example (and without limitation), housekeeping amendments, amendments to comply with applicable laws or to qualify for favourable treatment under tax laws or amendments to accelerate vesting. The following types of amendments cannot be made without obtaining securityholder approval:

1. amendments to the number of subordinate voting shares reserved for issuance;
2. increases in the length of the period after a blackout period during which Options may be exercised;
3. amendments which would result in the exercise price for any Option being lower than the Market Value at the time the Option is granted;
4. reductions to the exercise price of an Option, other than pursuant to an Adjustment Event;
5. extension of the term of an Option held by an insider beyond the expiry of its exercise period;
6. amendments to the amendment provisions;
7. permitting awards to be transferred or assigned, other than for normal estate settlement purposes; and
8. amendments required to be approved by securityholders under applicable law (including the rules, regulations and policies of the TSX).

Assignment

Except as required by law and subject to the retirement, death or disability of a participant, no assignment or transfer of Options, whether voluntary, involuntary, by operation of law or otherwise, is permitted.

Change of Control

In the event of a change of control of the Company (which occurs when Fairfax and Cara Holdings cease to have control) (a “**Change of Control**”), all unvested Options will vest and become exercisable on an accelerated basis and, if requested by the participant, the Company will pay each participant an amount in cash equal to the whole number of subordinate voting shares covered by the Option to be tendered multiplied by the amount by which the price paid for a subordinate voting share pursuant to the Change of Control exceeds the exercise price of the Options, net of withholding taxes. The Company will pay the foregoing amounts contemporaneously with completion of the transaction resulting in the Change of Control.

*Legacy Share Option Plan (the “**Legacy Share Option Plan**”)*

The Legacy Share Option Plan is part of a legacy compensation program pursuant to which certain employees of the Company were granted options to purchase shares in the capital of the Company. No additional awards will be made under the Legacy Share Option Plan, but options previously granted under this plan continue to be governed by the provisions of the Legacy Share Option Plan.

Under the Legacy Share Option Plan, there are currently outstanding options to purchase an aggregate of 698,067 subordinate voting shares, representing approximately 1.13% of the Company’s issued and outstanding shares as at March 19, 2019 . Subject to accelerated vesting as noted below, options generally vest not earlier than the third anniversary of the grant date. Accordingly, other than the options granted to Mr. Grondin in 2013, the first portion of the outstanding options granted in 2014 vested in December 2017. In the event of the retirement, death or disability of a participant, unvested options under the Legacy Share Option Plan will accelerate and vest on a *pro rata* basis, up to the applicable termination date. In the event of a Change of Control, all unvested options will accelerate and vest. Options granted under the Legacy Share Option Plan (excluding Mr. Grondin’s options) may not be exercised prior to January 1, 2019, except in the event of the death, disability or termination without cause of a participant.

Subject to earlier expiration in connection with termination of employment as provided for under the Legacy Share Option Plan, options granted under the Legacy Share Option Plan have an eight-year term. In order to facilitate the payment of the exercise price of the options, the Legacy Share Option Plan has a cashless exercise feature similar to the Share Option Plan described above.

The options granted to Mr. Grondin pursuant to his employment agreement dated October 31, 2013 are subject to the Legacy Share Option Plan, except that the grant of these options provides for accelerated vesting on the occurrence of certain termination events in addition to those listed above, including Mr. Grondin’s termination without cause, constructive

dismissal and if his employment is not renewed or extended at the completion of the five-year term of his employment agreement (ending on October 31, 2018). Upon the occurrence of such events, Mr. Grondin's unvested options will accelerate and vest on a *pro rata* basis, up to the applicable termination date. Additionally, Mr. Grondin's options are not subject to the general Legacy Share Option Plan vesting schedule and exercise provisions. Mr. Grondin's options granted on October 31, 2013 vested and were eligible for exercise on October 31, 2016.

Legacy Chief Executive Officer Share Option Plan (“**Legacy CEO Share Option Plan**”)

The Legacy CEO Share Option Plan is a part of a legacy compensation program pursuant to which Mr. Gregson was granted CEO Options as an employment inducement. The CEO Options continue to be governed by the provisions of the Legacy CEO Share Option Plan. However, there will be no additional grants made under this plan.

Mr. Gregson was granted a first tranche of 1,075,269 CEO Options with an exercise price of \$0.01 (the “**Tranche 1 Options**”) and a second tranche of 2,419,355 CEO Options with an exercise price of \$8.51 (the “**Tranche 2 Options**”). As of October 31, 2016, both tranches of CEO Options were fully-vested and were eligible for exercise. On November 11, 2016, the Tranche 1 Options were exercised by Mr. Gregson. As at March 30, 2018, the Tranche 2 Options continue to be vested and exercisable at Mr. Gregson's option. The unexercised portion of Mr. Gregson's CEO Options represent approximately 3.88% of the Company's issued and outstanding shares as at that date.

Subject to earlier expiration in connection with his termination of employment or service, the unexercised CEO Options granted to Mr. Gregson will expire on October 31, 2021. In order to facilitate the payment of the exercise price of the CEO Options, the Legacy CEO Share Option Plan has a cashless exercise feature. Mr. Gregson may elect to receive (i) an amount in cash per CEO Option equal to the cash proceeds realized upon the sale of the subordinate voting shares by a securities dealer in the capital markets, less the applicable exercise price and any applicable withholding taxes, (ii) an aggregate number of subordinate voting shares that is equal to the number of subordinate voting shares underlying the CEO Options minus the number of subordinate voting shares sold by a securities dealer in the capital markets as required to realize cash proceeds equal to the applicable exercise price and any applicable withholding taxes, or (iii) a combination of (i) and (ii). The transfer cost incurred to sell the subordinate voting shares will be deducted from the net proceeds payable to Mr. Gregson.

Summary Compensation Table

The following table sets out the compensation earned by, paid to, or awarded to the NEOs during each of 2016, 2017 and 2018:

Name and Position/Title	Year	Salary	Share-Based Awards ⁽¹⁾	Option-Based Awards ⁽²⁾⁽³⁾⁽⁴⁾	Non-Equity Incentive Plan Compensation (Bonus) ⁽⁵⁾⁽⁶⁾⁽⁷⁾	All Other Compensation	Total Compensation
William D. Gregson <i>Director and Executive Chairman of the Board</i>	2018	\$663,000	\$1,852,000	\$1,100,000	\$54,832	-	\$3,669,832
<i>Director, Chair and Chief Executive Officer</i>	2017	\$663,000	-	\$117,000	\$250,000	-	\$1,030,000
	2016	\$663,000	-	-	\$150,000	-	\$813,000
Frank Hennessey <i>Chief Executive Officer</i>	2018	\$373,846 ⁽⁸⁾	\$1,852,000	\$2,200,000	\$10,071	-	\$4,435,917
Kenneth J. Grondin <i>Chief Financial Officer</i>	2018	\$389,583 ⁽⁹⁾	\$1,852,000	\$1,100,000	\$10,127	-	\$3,351,710
	2017	\$382,500	-	\$117,000	\$250,000	-	\$749,500
	2016	\$382,500	-	-	\$150,000	-	\$532,500
David Aisenstat <i>Director and Vice Chair</i>	2018	\$644,044 ⁽¹⁰⁾	-	\$15,500,000	-	-	\$16,144,044
Pierre Rivard <i>President of Groupe St-Hubert</i>	2018	\$413,155	-	-	\$189,803	\$49,308	\$652,266
	2017	\$409,064	-	-	\$282,091	\$49,088	\$740,243
	2016	\$400,063	-	-	\$392,888	\$48,235	\$841,186

- (1) In May 2018, Mr. Gregson, Mr. Grondin and Mr. Hennessey were awarded 75,000 RSU's each. The RSU's will be equity settled and have been valued using the Black-Scholes option-pricing model. The fair value of the options was determined using a risk free rate of 2.30% per annum, an expected life of 6.5-7.0 years, volatility of 26% and an expected dividend yield of 1.55%.
- (2) In May 2018, Mr. Gregson and Mr. Grondin were awarded 150,000 options each and Mr. Hennessey was awarded 300,000 options. The options have been valued using the Black-Scholes option-pricing model. The fair value of the options was determined using a risk free rate of 2.22% per annum, an expected life of 7.5 years, volatility of 26% and an expected dividend yield of 1.55%. In May 2018, Mr. Aisenstat was awarded 3,000,000 options that vest when certain performance based criteria are achieved. The options have been valued using the Black-Scholes option-pricing model. The fair value of the options was determined using a risk free rate of 2.21% per annum, an expected life of 7.5 years, volatility of 26% and an expected dividend yield of 1.55%.
- (3) NEOs, with the exception of Mr. Rivard and Mr. Aisenstat, were awarded 20,000 options each in January 2017, which have been valued using the Black-Scholes option-pricing model. The fair value of the options was determined using a risk free rate of 1.11% per annum, an expected life of 5.5 years, volatility of 26% and an expected dividend yield of 1.58%.
- (4) In 2016, no stock options were granted.
- (5) Amounts in respect of 2018 reflect the annual bonuses awarded to NEOs in 2019 in respect of Fiscal 2018
- (6) Amounts in respect of 2017 reflect the annual bonuses awarded to NEOs in 2018 in respect of Fiscal 2017
- (7) Amounts in respect of 2016 reflect the annual bonuses awarded to NEOs in 2017 in respect of Fiscal 2016
- (8) Amount reflects Mr. Hennessey's compensation since joining Recipe on May 10, 2018. Mr. Hennessey's annual base salary for 2018 was \$600,000.
- (9) Amount has been pro-rated to reflect an increase to Mr. Grondin's annual base salary from \$382,500 to \$425,000 on November 1, 2018.
- (10) Amount represents annual 2018 salary after joining Recipe on February 22, 2018. Mr. Aisenstat's base salary for 2018 \$750,000.

Employment Agreements, Termination and Change of Control Benefits

The Company has written employment agreements with each of its NEOs other than Mr. Aisenstat who provides his services to the Company through The Herbert A. Jackson General Partnership ("**Holdco**"), by way of a management agreement and each executive is entitled to receive compensation established by the Company as well as other benefits in accordance with plans available to the most senior employees (including health, dental, life insurance, accidental death and dismemberment, sick days and short-term disability and long-term disability). The Company's NEO employment contracts contain provisions relating to a change of control of the Company.

Messrs. Gregson and Grondin

Each NEO executive employment agreement in respect of Messrs. Gregson and Grondin provides that the Company may terminate the NEO's employment at any time, without cause, by providing the NEO with notice of termination. If the NEO's employment is terminated without cause, or the NEO terminates employment as a result of constructive dismissal, he will be entitled to receive his base salary in effect as of the termination date for two (2) years following the termination date,

a pro-rated annual bonus based on the number of days worked prior to the termination date (subject to achievement of the applicable performance criteria), entitlements under any Company incentive plans in accordance with plan terms, the reimbursement of expenses properly incurred in the course of employment up to the termination date, accrued but unpaid vacation pay up to the termination date, the continuation of life, health and dental insurance coverage for two (2) years following the termination date, and any additional payments required by applicable employment standards legislation (collectively, the “**Severance Entitlements**”). These entitlements are conditioned on the NEO’s execution of a release of claims. The estimated incremental value of the Severance Entitlements assuming the termination occurred on December 30, 2018 is \$1.5 million for Mr. Gregson, and \$1.0 million for Mr. Grondin.

In addition to the Severance Entitlements, in the case of termination without cause, or termination by the NEO as a result of constructive dismissal, Messrs. Gregson and Grondin are entitled to *pro rata* vesting of their outstanding options and RSUs (with an estimated incremental value of \$0.4 million, respectively, assuming the termination occurred on December 30, 2018 and based on the closing price of the subordinate voting shares on the TSX on December 28, 2018).

If the NEO’s employment is terminated for cause or due to his resignation, death or incapacity, he or his estate, as applicable, will be entitled to accrued but unpaid base salary and vacation pay up to the termination date, the reimbursement of expenses properly incurred in the course of the NEO’s employment up to the termination date, the NEO’s entitlements under any Company incentive plans in accordance with plan terms, and any additional payments required by applicable employment standards legislation. In addition, each of Messrs. Gregson and Grondin is entitled to *pro rata* vesting of options and RSUs if his employment is terminated due to his death or incapacity.

Each NEO’s executive employment agreement contains customary confidentiality covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-solicitation and non-competition provisions which are both in effect during the NEO’s employment and for the 24 months following the termination of his employment.

Messrs. Gregson and Grondin’s employment agreements include a change of control provision that accelerates vesting of any Options, PSUs or RSUs if a party other than Fairfax and/or Cara Holdings controls the Company. If there is a change of control, Messrs. Gregson and Grondin shall have a right to terminate their employment agreement within three (3) months of such an occurrence and they would be entitled to receive a two (2) year severance package.

Mr. Rivard

Mr. Rivard’s employment agreement is for an unlimited term and stipulates that the Company has the right to terminate his employment for just cause, at any time, without notice and without pay in lieu of notice. The Company has the right to terminate Mr. Rivard’s employment for any reason other than for just cause by providing Mr. Rivard with twenty-four (24) month’s salary (with an estimated incremental value of \$1.3 million assuming the termination occurred on December 30, 2018).

On July 26, 2016, Mr. Rivard entered into a letter agreement with the Company which provides for certain bonus payments to be made to Mr. Rivard in the event he retires on or before December 31, 2019 subject to the achievement of certain EBITDA targets, such payments not to exceed \$3 million.

Mr. Aisenstat

Mr. Aisenstat provides his services to the Company through the Holdco, by way of a management agreement among the Company, KRL, Holdco and Mr. Aisenstat (the “**Management Agreement**”). The Management Agreement is not intended and will not operate to make Mr. Aisenstat an employee of the Company or KRL for any purpose whatsoever. The Management Agreement provides that the Company and KRL may terminate the Management Agreement at any time, without cause, by providing Holdco and Mr. Aisenstat with notice of termination. If the Management Agreement is terminated without cause, (i) Holdco will be entitled to receive its fees and bonus accrued up to the termination date, (ii) Holdco and Mr. Aisenstat will be entitled to the reimbursement of their expenses properly incurred by Mr. Aisenstat in connection with the performance of his duties under the Management Agreement up to the termination date and (iii) Holdco will be entitled to receive its consulting fees for a period of thirty (30) months following the termination date (collectively, the “**Entitlements**”). In the event that the Company or KRL breach the Management Agreement in a material respect or engage in conduct which would constitute “constructive dismissal” were Mr. Aisenstat an employee of the Company (including any removal of Mr. Aisenstat from the boards of directors of the Company and KRL or from his position as Vice-Chair of the Company), Holdco and Mr. Aisenstat shall be entitled to require that this be deemed a termination of the

Management Agreement without cause entitling Holdco and Mr. Aisenstat to the Entitlements they would have received had the Management Agreement been terminated without cause. The Entitlements are conditioned on Holdco and Mr. Aisenstat's execution of a release of claims. The estimated incremental value of the Entitlements assuming the termination occurred on December 30, 2018 is \$1.9 million.

If the Management Agreement is terminated by the Company or KRL without cause, then the options then held by Mr. Aisenstat which have vested as at the time immediately prior to the termination date shall be exercisable throughout the exercise period of the options and the options then held by Mr. Aisenstat which, as at the termination date, were subject to vesting conditions still capable of being satisfied will be deemed to have vested, and shall be exercisable within five (5) years after the date of grant of the options, without regard to such vesting conditions.

The Management Agreement provides that KRL may terminate the Management Agreement at any time, for cause or due to death or disability of Mr. Aisenstat, by providing Holdco and Mr. Aisenstat with notice of termination. If the Management Agreement is terminated for cause or due to death or disability of Mr. Aisenstat, Holdco will be entitled to accrued but unpaid consulting fees up to the termination date and the reimbursement of expenses properly incurred by Mr. Aisenstat in connection with the performance of his duties under the Management Agreement up to the termination date.

If the Management Agreement is terminated by Holdco or by KRL for cause, any options held by Mr. Aisenstat that have not vested as at the termination date shall immediately expire and be cancelled on the termination date, and those options which have vested as at the termination date shall be exercisable on the date that is ninety (90) days after the termination date. If the Management Agreement is terminated by KRL due to the death or disability of Mr. Aisenstat, any options then outstanding and held by Mr. Aisenstat shall, subject to satisfaction of the vesting conditions, be exercisable by Mr. Aisenstat or the executor or administrator of his estate, as the case may be, throughout the exercise period of the options.

The Management Agreement contains customary confidentiality covenants and certain restrictive covenants that will continue to apply following the termination of the Management Agreement, including non-solicitation and non-competition provisions which are both in effect during the term of the Management Agreement and for the 30 months following the termination of the Management Agreement.

Mr. Hennessey

Mr. Hennessey's employment agreement provides that the Company may terminate his employment at any time, without cause, by providing him with notice of termination. If Mr. Hennessey's employment is terminated without cause, or Mr. Hennessey terminates his employment as a result of constructive dismissal, he will be entitled to receive his base salary in effect as of the termination date for twelve (12) months following the termination date, a pro-rated annual bonus based on the number of days worked prior to the termination date (subject to achievement of the applicable performance criteria), entitlements under any Company incentive plans in accordance with plan terms, the reimbursement of expenses properly incurred in the course of his employment up to the termination date, accrued but unpaid vacation pay up to the termination date, the continuation of life, health and dental insurance coverage for twelve (12) months following the termination date, and any additional payments required by applicable employment standards legislation (collectively, the "**Severance Entitlements**"). The Severance Entitlements are conditioned on Mr. Hennessey's execution of a release of claims. The estimated incremental value of the Severance Entitlements assuming his termination occurred on December 30, 2018 is \$0.6 million.

In addition to the Severance Entitlements, in the case of termination without cause, or termination by Mr. Hennessey as a result of constructive dismissal, he is entitled to *pro rata* vesting of his RSUs (with an estimated incremental value of \$0.4 million, assuming the termination occurred on December 30, 2018 and based on the closing price of the subordinate voting shares on the TSX on December 28, 2018). Mr. Hennessey is also entitled to the Severance Entitlements and *pro rata* vesting of his RSUs if his employment is not renewed or extended at the completion of the five-year term of his employment agreement (ending on April 30, 2023).

If Mr. Hennessey's employment is terminated for cause or due to his resignation, death or incapacity, he or his estate, as applicable, will be entitled to accrued but unpaid base salary and vacation pay up to the termination date, the reimbursement of expenses properly incurred in the course of his employment up to the termination date, his entitlements under any Company incentive plans in accordance with plan terms, and any additional payments required by applicable employment standards legislation. In addition, Mr. Hennessey is entitled to *pro rata* vesting of RSUs if his employment is terminated due to his death or incapacity.

Mr. Hennessey's employment agreement contains customary confidentiality covenants and certain restrictive covenants that will continue to apply following the termination of his employment, including non-solicitation and non-competition provisions which are both in effect during his employment and for the 12 months following the termination of his employment.

Mr. Hennessey's employment agreement employment agreements include a change of control provision that accelerates vesting of any Options, PSUs or RSUs if a party other than Fairfax and/or Cara Holdings controls the Company. If there is a change of control, Mr. Hennessey shall have a right to terminate his employment agreement within three (3) months of such an occurrence and he would be entitled to receive a one (1) year severance package.

Entitlements under the Share Option Plan and Legacy Share Option Plan

In the event of a Change of Control, all unvested options will vest and become exercisable on an accelerated basis pursuant to the Share Option Plan and the Legacy Share Option Plan, the estimated incremental value of which would be \$0.02 million for Mr. Gregson, \$0.02 million for Mr. Grondin, nil for Mr. Hennessey, and nil for Mr. Aisenstat, assuming the Change of Control occurred on December 30, 2018 and based on the closing price of the subordinate voting shares on the TSX on December 28, 2018.

Outstanding Option-Based Awards and Share-Based Awards

The following table sets out information concerning the outstanding option-based awards held by each of the NEOs as at December 30, 2018. The Company has no outstanding share-based awards held by NEOs.

Name and Position/Title	Option-Based Awards					Value of unexercised in-the-money options ⁽¹⁾
	Number of shares underlying unexercised options	Option exercise price	Option vesting date	Option expiration date		
William D. Gregson <i>Director and Executive Chairman of the Board</i>	1,209,678	\$8.51	October 31, 2015	October 31, 2021	\$20,709,687	
	1,209,677	\$8.51	October 31, 2016	October 31, 2021	\$20,709,670	
	10,000	\$32.37	December 4, 2018	December 4, 2023	\$0	
	20,000	\$24.64	January 4, 2020	January 4, 2025	\$19,800	
	150,000	\$27.39	May 10, 2023	May 10, 2028	\$0	
Frank Hennessey <i>Chief Executive Officer</i>	60,000	\$27.17	May 10, 2019	May 10, 2028	\$0	
	60,000	\$27.17	May 10, 2020	May 10, 2028	\$0	
	60,000	\$27.17	May 10, 2021	May 10, 2028	\$0	
	60,000	\$27.17	May 10, 2022	May 10, 2028	\$0	
	60,000	\$27.17	May 10, 2022	May 10, 2028	\$0	
Kenneth J. Grondin <i>Chief Financial Officer</i>	241,935	\$8.51	October 31, 2016	October 31, 2021	\$4,141,927	
	13,221	\$8.51	December 4, 2017	December 4, 2022	\$226,344	
	13,221	\$8.51	December 4, 2018	December 4, 2022	\$226,344	
	10,000	\$32.37	December 4, 2018	December 4, 2023	\$0	
	20,000	\$24.64	January 4, 2020	January 4, 2025	\$19,800	
David Aisenstat <i>Director and Vice Chair</i>	1,000,000	\$35.00	May 11, 2023 ⁽²⁾	May 11, 2028	\$0	
	1,000,000	\$35.00	May 11, 2023 ⁽²⁾	May 11, 2028	\$0	
	1,000,000	\$35.00	May 11, 2023 ⁽²⁾	May 11, 2028	\$0	
Pierre Rivard <i>President, Groupe St-Hubert</i>	nil	n/a	n/a	n/a	nil	

- (1) The value of unexercised in-the-money options is calculated by subtracting the exercise price of an option on one share from the closing price of a subordinate voting shares on the TSX on December 28, 2018 (the last trading day of the Company's 2018 fiscal year) (\$25.63), and multiplying that difference by the number of unexercised options. That value does not include any deduction to recognize that some or all unexercised options may never become exercisable.
- (2) Options feature a tiered performance vesting mechanism whereby vesting occurs when certain performance measures are achieved within the first five years.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets out the value of option-based and share-based awards held by our NEOs that vested during fiscal 2018, as well as the value of non-equity incentive plan compensation that NEOs earned during fiscal 2018:

Name	Option-Based Awards —Value vested during the year ⁽¹⁾	Share-Based Awards —Value vested during the year	Non-equity incentive plan compensation – Value earned during the year ⁽²⁾
William D. Gregson	\$0	–	\$54,832
Frank Hennessey	\$0	–	\$10,071
Kenneth J. Grondin	\$223,170	–	\$10,127
David Aisenstat	\$0	–	-
Pierre Rivard	–	–	\$189,803

(1) The value vested is calculated by multiplying the number of options which became vested during the year by the amount by which the market value of one of our subordinate voting shares on the day of vesting (\$25.39) exceeded the exercise price of an option. Out-of-the-money options are excluded from the calculation.

(2) Amounts reflect the annual bonuses paid to NEOs in 2019 in respect of fiscal 2018.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out information on the Company's equity compensation plans as at December 30, 2018:

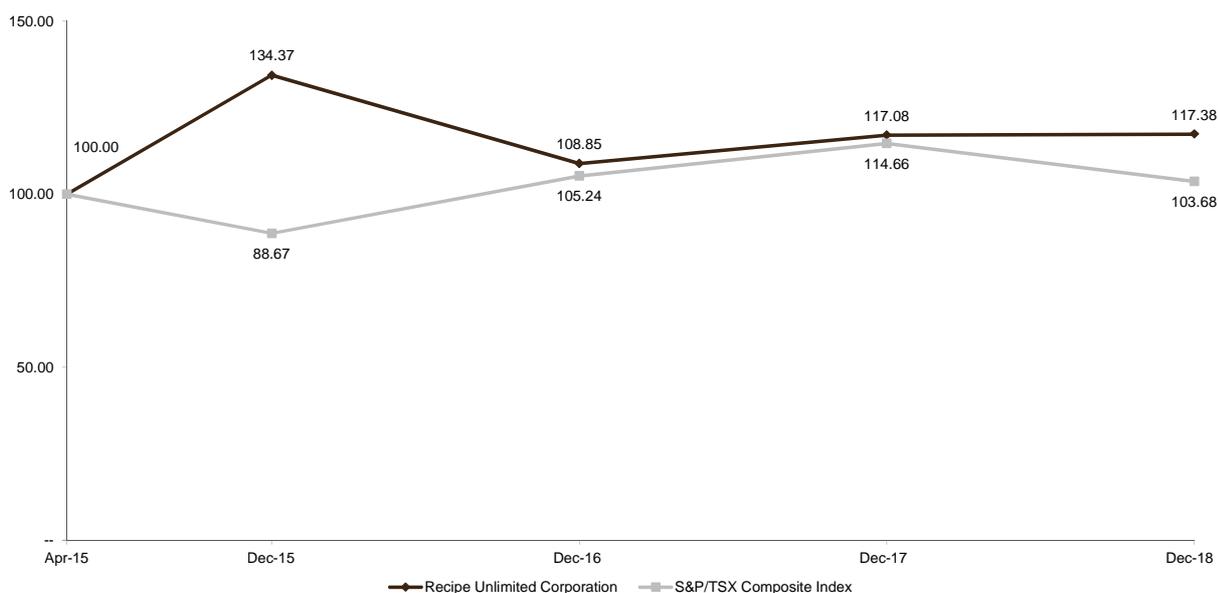
Plan Category	Number of securities to be issued upon exercise of outstanding options, RSU's, PSU's, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
<i>Equity compensation plans approved by securityholders</i>	N/A	N/A	N/A
<i>Equity compensation plans not approved by securityholders</i>			
• <i>Share Option Plan</i>	4,277,034	\$32.80	1,577,151 ⁽¹⁾
• <i>Legacy Share Option Plan</i>	698,067	\$8.51	0 ⁽¹⁾
• <i>Legacy CEO Share Option Plan</i>	2,419,355	\$8.51	0 ⁽¹⁾
• <i>RSU Plan</i>	291,307	N/A	1,577,151 ⁽¹⁾
• <i>PSU Plan</i>	Nil	N/A	1,577,151 ⁽¹⁾

(1) Represents the aggregate number of securities remaining available for future issuance under the Company's equity compensation plans.

Shareholders will be asked at the Meeting to pass ordinary resolutions approving, ratifying and confirming the RSU Plan and PSU Plan, which have been adopted by the Board on March 6, 2019, subject to receipt of the requisite approvals of the TSX and the shareholders. See “*Business of the Meeting – Shareholder Approval of RSU Plan*”, “*Business of the Meeting – Shareholder Approval of PSU Plan*”.

Performance Graph

The graph below compares the cumulative total shareholder return on \$100 invested in our subordinate voting shares on April 10, 2015 the date of our initial public offering, with the cumulative annual total return of the S&P/TSX Composite Total Return Index over the same period, assuming reinvestment of all cash dividends of the Company since April 10, 2015.



Illustrated by the performance graph above as shareholder returns for Recipe shareholders decline, total compensation for Recipe’s executive officers decreases. As shareholder returns increase so do total compensation for Recipe’s executive officers.

SECTION IV – DIRECTOR COMPENSATION

Directors’ Compensation

The Board, through the Governance, Compensation and Nominating Committee, is responsible for reviewing and approving the directors’ compensation arrangements and any changes to those arrangements.

The Governance, Compensation and Nominating Committee established the compensation arrangements for each director that is not an employee of the Company or one of its affiliates. The directors’ compensation program is designed to attract, retain and motivate the most qualified individuals to serve on the Board. Non-employee directors are entitled to an annual retainer of \$50,000 (Mr. Gunn is entitled to an additional \$15,000 to compensate for additional committee work required in his role as Chair of the Audit Committee) and are entitled to receive all or a proportion of their annual retainer in deferred share units (“DSUs”) under the deferred share unit plan (the “**Deferred Share Unit Plan**”). Directors have the option to convert their annual cash retainer into DSUs at a 10% premium. There are no additional fees based on meeting attendance. In addition, non-management directors joining the Board are granted annual DSUs with a value of approximately \$30,000. Unless otherwise specified, DSUs granted under the Deferred Share Unit Plan will vest on a *pro rata* basis calculated from the first day of the applicable 12-month period (or such pro-rated period as contemplated by the Deferred Share Unit Plan) that is determined by the Board pursuant to a participant’s DSU agreement until the last day of the applicable service period. DSUs may not be exercised until the participant is no longer a Board member.

A DSU is a unit, equivalent in value to a subordinate voting share, credited by means of a bookkeeping entry in the books of the Company, to an account in the name of the director. DSUs accumulate additional DSUs at the same rate as dividends, if any, paid on the subordinate voting shares. Following the end of the director’s tenure as a member of the Board, the director will be paid in cash the Market Value of the subordinate voting shares represented by the DSUs.

For fiscal 2018 each of Messrs. Gunn, Norris, Regan, Hodgson and Rothschild and Ms. Clark received DSUs in accordance with the table below.

Directors are reimbursed for their reasonable out-of-pocket expenses incurred in serving as directors. In addition, directors will be entitled to receive remuneration for services rendered to the Company in any other capacity, except in respect of their service as directors of any of the Company’s subsidiaries. Directors who are employees of and who receive a salary from the Company or one of its affiliates or subsidiaries will not be entitled to receive any remuneration for serving as

directors, but will be entitled to reimbursement of their reasonable out-of-pocket expenses incurred in serving as directors.

The following table sets out the compensation provided to our directors during fiscal 2018.

Name ⁽¹⁾	Fees Earned ⁽²⁾	Share-based awards	Option-based awards	Non-equity incentive plan compensation	Cash Retainer	All other compensation	Total Compensation
Stephen K. Gunn	\$30,000				\$65,000		\$95,000
Christopher D. Hodgson	\$85,000				\$-		\$85,000
Michael J. Norris	\$85,000				\$-		\$85,000
John A. Rothschild	\$85,000				\$-		\$85,000
Sean Regan	\$85,000				\$-		\$85,000
Christy Clark	\$54,493						\$54,493

(1) See “Summary Compensation Table” for details related to compensation of Mr. Gregson and Mr. Aisenstat.

(2) Amounts reflect the value of DSUs granted to the directors in lieu of receiving an annual cash retainer for serving on the Board. The value is calculated by multiplying the number of DSUs granted by the closing price of the subordinated voting shares on the TSX on the date of grant.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets out the value of option-based and share-based awards held by our directors that vested during fiscal 2018, as well as the value of non-equity incentive plan compensation that directors earned during fiscal 2018:

Name	Option-Based Awards — Value vested during the year	Share-Based Awards — Value vested during the year ⁽¹⁾	Non-equity incentive plan compensation – Value earned during the year
Stephen K. Gunn	–	\$30,000	\$65,000
Christopher D. Hodgson	–	\$85,000	–
Michael J. Norris	–	\$85,000	–
John A. Rothschild	–	\$85,000	–
Sean Regan	–	\$85,000	–
Christy Clark		\$54,493	

(1) Amounts reflect the value of DSUs granted to the directors in lieu of receiving an annual cash retainer for serving on the Board. The value is calculated by multiplying the number of DSUs granted by the closing price of the subordinate voting shares on the TSX on the date the DSUs vest. DSUs held by a director will not be paid out until after the director resigns, dies or otherwise ceases to be engaged by the Company.

Directors’ and Officers’ Insurance

The directors and officers of the Company and its subsidiaries are covered by directors’ and officers’ liability insurance. Under this insurance coverage, the Company and its subsidiaries will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of the directors and officers of the Company and its subsidiaries, subject to a deductible for each loss, which will be paid by the Company. Individual directors and officers of the Company and its subsidiaries will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by the Company or its subsidiaries. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts.

The Company’s directors’ and officers’ liability insurance program provides an aggregate limit of liability of USD\$10 million, with a deductible to us of \$nil to USD\$0.2 million per loss, varying with the nature of the loss. The annual premium for this directors’ and officers’ liability insurance is USD\$43,000.

This insurance forms part of a blended insurance program with Fairfax Financial Holdings Limited that provides excess coverage above the Company’s USD\$10 million directors’ and officers’ liability insurance program mentioned above. Fairfax Financial Holdings Limited currently purchases USD\$100 million of blended directors’ and officers’ liability, errors and omissions, employment practices liability, fiduciary and bond coverage and an additional USD\$135 million of side “A” directors’ & officers’ liability insurance which covers both legal defense expenses and payments of settlements that arise

from claims brought against directors and officers, when those costs cannot be indemnified by the Company and claims are in excess of the blended limits.

Indebtedness of Directors and Executive Officers

As at March 19, 2019, other than a \$750,000 non-interest bearing loan, there was no indebtedness owing to the Company or any of its subsidiaries by any directors, executive officers, employees or former directors, executive officers or employees of the Company or any of its subsidiaries. In addition, no director or officer, proposed nominee for election as a director of the Company, nor any associate of any director, officer or proposed nominee was indebted to the Company in our 2018 fiscal year.

SECTION V – CORPORATE GOVERNANCE

Statement of Corporate Governance Practices

Our corporate governance policies and practices are reviewed regularly by our Board and updated as necessary or advisable. Our corporate governance practices are in compliance with all applicable rules and substantially comply with all applicable policies and guidelines, including those of the Canadian Securities Administrators. A description of our corporate governance practices is set out below.

Independent Directors

The Board consists of eight directors, six of whom (Messrs. Gunn, Hodgson, Rothschild, Regan, Norris and Ms. Clark) are considered “independent” under Canadian securities laws. In making this determination, the Board considered, among other things, that none of those individuals (i) is, or has been within the last three years, an employee or member of management of us or related to any member of management, (ii) is associated with our auditor or has any family member that is associated with our auditor, (iii) receives any direct or indirect compensation (including to family members) from us except in connection with Board related work, (iv) works or has worked at a company for which any member of our management was a member of the compensation committee, or (v) has (other than possibly as an insured under an insurance policy issued on usual commercial terms) any material business or other relationship with us or our principal shareholders. Messrs. Gregson and Aisenstat are not considered to be “independent” within the meaning of applicable securities law as a result of their positions as Executive Chairman of the Board and Vice Chair, respectively, of the Company.

The Board has not appointed an independent Chair or a lead Independent Director. However, the Chair of the Board is responsible for ensuring that the directors who are independent of management have opportunities to meet without management present. Discussions are led by an Independent Director who provides feedback subsequently to the Chair of the Board. All Independent Directors are encouraged by the Chair of the Board to have open and candid discussions with the Chair and other members of the Board. Our directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships that may affect the Board’s determination as to their independence and, depending on the nature of the change, a director may be asked to resign as a result.

The independent directors, non-independent directors and members of management met during our 2018 fiscal year during regularly scheduled Board meetings, including via in-camera sessions. The independent directors met, generally following or during every Board meeting. The size of the Board and the nature of the Company’s operations ensure that open and candid discussion among the independent directors is possible and encouraged.

Corporate Governance Guidelines (including Board Mandate)

The Board mandate sets out the overall governance principles that apply to the directors.

The mandate of the Board is to provide governance and stewardship to the Company and its business. In fulfilling its mandate, the Board has adopted a written charter setting out its responsibility for, among other things, (i) participating in the development of and approving a strategic plan for the Company; (ii) supervising the activities and managing the affairs of the Company; (iii) approving major decisions regarding the Company; (iv) defining the roles and responsibilities of management and delegating management authority to the Chief Executive Officer; (v) reviewing and approving the business objectives to be met by management; (vi) assessing the performance of and overseeing management; (vii) reviewing the Company’s debt strategy; (viii) identifying and managing risk exposure; (ix) ensuring the integrity and adequacy of the Company’s internal controls and management information systems; (x) succession planning; (xi) establishing committees of the Board, where

required or prudent, and defining their mandate; (xii) maintaining records and providing reports to shareholders; (xiii) ensuring effective and adequate communication with shareholders, other stakeholders and the public; (xiv) determining the amount and timing of dividends, if any, to shareholders; and (xv) monitoring the social responsibility, integrity and ethics of the Company.

Our Board has delegated to management responsibility for our day-to-day operations, including for all matters not specifically assigned to the Board or any committee of the Board.

The current mandate of the Board is set out in Schedule “A”.

The Board has adopted a written position description for the Executive Chair of the Board, which sets out the Executive Chair’s key responsibilities, including, as applicable, duties relating to setting Board meeting agendas, chairing Board and shareholder meetings, director development and communicating with shareholders and regulators. The Board has also adopted a written position description for each of the committee chairs which sets out each of the committee chair’s key responsibilities, including duties relating to setting committee meeting agendas, chairing committee meetings and working with the respective committee and management to ensure, to the greatest extent possible, the effective functioning of the committee.

The Board has also adopted a written position description for the Chief Executive Officer which sets out the key responsibilities of the Chief Executive Officer. The primary functions of the Chief Executive Officer is to lead management of the business and affairs of the Company, to lead the implementation of the resolutions and the policies of the Board, to supervise day-to-day management and to communicate with shareholders and regulators. The Board has also developed a mandate for the Chief Executive Officer setting out key responsibilities, including duties relating to the Company’s strategic planning and operational direction, Board interaction, succession planning and communication with shareholders. The Chief Executive Officer mandate is reviewed and considered by the Board annually.

Audit Committee

The Audit Committee consists of three directors, all of whom are persons determined by the Company to be both “independent” and “financially literate” within the meaning of NI 52-110 and all of whom are residents of Canada. The Audit Committee is comprised of Stephen K. Gunn, who acts as Chair of this committee, Michael J. Norris and Christopher D. Hodgson. Each of the Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. For additional information concerning Messrs. Gunn, Norris and Hodgson, please see the information above under the heading “Election of Directors”.

The responsibilities of the Audit Committee include: (i) reviewing the Company’s procedures for internal control with the Company’s auditors and Chief Financial Officer; (ii) reviewing and approving the engagement of the auditors; (iii) reviewing annual and quarterly financial statements and all other material continuous disclosure documents, including the Company’s annual information form and management’s discussion and analysis; (iv) assessing the Company’s financial and accounting personnel; (v) assessing the Company’s accounting policies; (vi) reviewing the Company’s risk management procedures; (vii) reviewing any significant transactions outside the Company’s ordinary course of business and any legal matters that may significantly affect the Company’s financial statements; (viii) overseeing the work and confirming the independence of the external auditors; and (ix) reviewing, evaluating and approving the internal control procedures that are implemented and maintained by management. The Audit Committee reviews the Company’s quarterly results and makes a recommendation to the Board with respect to approving such quarterly results. The text of our Audit Committee Charter can be found on our website (www.recipeunlimited.com) or in our Annual Information Form as Appendix “A”, which is available on SEDAR (www.sedar.com).

The Audit Committee has an annual approval of audit and non-audit services provided by the Company’s auditor.

Governance, Compensation and Nominating Committee

The Governance, Compensation and Nominating Committee is comprised of three directors, a majority of whom is determined by the Board to be independent and all of whom are residents of Canada, and is charged with reviewing, overseeing and evaluating the corporate governance, compensation and nominating policies of the Company. The Governance, Compensation and Nominating Committee is comprised of John A. Rothschild (independent), who acts as Chair of this committee, Christopher D. Hodgson (independent), Christy Clark (independent) and Sean Regan (independent). The

responsibilities of the committee include: (i) assessing the effectiveness of the Board, each of its committees and individual directors; (ii) overseeing the recruitment and selection of candidates as directors; (iii) organizing an orientation and education program for new directors; (iv) considering and approving proposals by the directors to engage outside advisors on behalf of the Board as a whole or on behalf of the independent directors; (v) reviewing and making recommendations to the Board concerning any change in the number of directors composing the Board; (vi) considering questions of management succession; (vii) administering any share purchase plan of the Company and any other compensation incentive programs; (viii) assessing the performance of management of the Company; (ix) reviewing and approving the compensation paid by the Company, if any, to the officers of the Company; and (x) reviewing and making recommendations to the Board concerning the level and nature of the compensation payable to directors and officers of the Company. In establishing the compensation of the directors, the Governance, Compensation and Nominating Committee will examine the time commitment, responsibilities and risks associated with being a director and compensation paid by companies similar to us. In approving the compensation of the Chief Executive Officer and other executive officers, the important factors for evaluating performance are our corporate objectives, as more fully described above under the heading “Executive Compensation Discussion and Analysis”.

Selection of Directors

We seek as directors committed individuals who have a high degree of integrity, sound practical and commercial judgment and an interest in the long-term best interests of us and our shareholders. With this goal in mind, each year the Board determines what competencies and skills the Board as a whole should possess (taking into account our particular business and what competencies and skills each existing director possesses). The Board makes these determinations at a time suitable for the Governance, Compensation and Nominating Committee to reflect them in its recommendations for nominees to the Board. In making its recommendations, the Governance, Compensation and Nominating Committee also considers the competencies and skills any new nominee may possess, the independence requirements and the requirements for any distinctive expertise.

Succession Planning

While the Board remains always aware of the succession planning needs of the Company, responsibilities in respect of day-to-day succession planning review and initiatives have been delegated to the Governance, Compensation and Nominating Committee. The Governance, Compensation and Nominating Committee succession planning process involves working with the Chief Executive Officer to review the internal talent pool, selecting potential candidates, selecting executive development opportunities, and evaluating performance and progress, as well as planning for illness, disability and other unscheduled absences. This includes long-range planning for executive recruitment, development and succession to ensure leadership sustainability and continuity.

Strategic Planning Oversight

As part of the Board’s mandate, the Board participates in the development, review and approval of the Company’s strategy. The Board reviews with management the Company’s strategic objectives, specifically in relation to the review and approval of the Company’s annual business plan. Annually, the Board reviews with management to discuss whether there are any adjustments to the strategy given the current and expected future economic climate, opportunities and risks or any new strategic initiatives.

Diversity

The Governance, Compensation and Nominating Committee believes that having a diverse Board and senior management offers a depth of perspective and enhances Board and management operations. The Governance, Compensation and Nominating Committee identifies candidates to the Board and management of the Company that possess skills with the greatest ability to strengthen the Board and management and the Company is focused on continually increasing diversity within the Company.

The Governance, Compensation and Nominating Committee does not specifically define diversity, but values diversity of experience, perspective, education, race, gender and national origin as part of its overall annual evaluation of director nominees for election or re-election as well as candidates for management positions. Gender and geography are of particular importance to the Company in ensuring diversity within the Board and management. Recommendations concerning director nominees are, foremost, based on merit and performance, but diversity is taken into consideration, as it is beneficial

that a diversity of backgrounds, views and experiences be present at the Board and management levels.

The Company attempts to recruit and select board and management candidates that represent both gender diversity and business understanding and experience. However, the Board does not support fixed percentages for any selection criteria, as the composition of the Board and management is based on the numerous factors established by the selection criteria and it is ultimately the skills, experience, character and behavioral qualities that are most important to determining the value which an individual could bring to the Board or management of the Company.

At the senior management level of the Company, 21% or 17 of 81 members of the Company's leadership team are female. There is currently one female director (12.5%). The Company does not have a formal policy on the representation of women on the Board or senior management of the Company. The Governance, Compensation and Nominating Committee already takes gender into consideration as part of its overall recruitment and selection process in respect of its Board and senior management and will continue to do so. However, the Board does not believe that quotas or strict rules set forth in a formal policy necessarily result in the identification or selection of the best candidates. As such, the Company does not see any meaningful value in adopting a formal policy in this respect at this time as it does not believe that it would further enhance gender diversity beyond the current recruitment and selection process carried out by the Governance, Compensation and Nominating Committee.

The Board is mindful of the benefit of diversity on the Board and management of the Company and the need to maximize the effectiveness of the Board and management and their respective decision-making abilities. Accordingly, in searches for new directors, the Governance, Compensation and Nominating Committee will consider the level of female representation and diversity on the Board and management and this will be one of several factors used in its search process. This will be achieved through continuously monitoring the level of female representation on the Board and in senior management positions and, where appropriate, recruiting qualified female candidates as part of the Company's overall recruitment and selection process to fill Board or senior management positions, as the need arises, through vacancies, growth or otherwise. Where a qualified female candidate can offer the Company a unique skill set or perspective (whether by virtue of such candidate's gender or otherwise), the Governance, Compensation and Nominating Committee anticipates that it would typically select such a female candidate over a male candidate. Where the Governance, Compensation and Nominating Committee believes that a male candidate and a female candidate each offer the Company substantially the same skill set and perspective, such Committee anticipates that it will consider numerous other factors beyond gender and the overall level of female representation in deciding the candidate to whom to the offer will be made.

Orientation and Continuing Education of Directors

Each new director receives a comprehensive orientation from our Chair, including an overview of the role of the Board, the Board committees and each individual member, the nature and operation of our business and the contribution and time commitment the new director is expected to make. The orientation includes access to our senior management and facilities. Our directors are invited to ask questions at any time of any officer or director of the Company.

The Board is responsible for considering from time to time appropriate continuing education for directors, which may include presentations from management, site visits and presentations from industry experts. Each director is expected to maintain the necessary level of expertise to perform his or her responsibilities as a director and, as discussed in more detail below, is subject to an annual evaluation.

Board Performance Evaluation

The Governance, Compensation and Nominating Committee is responsible, along with the Chair of the Board, for establishing and implementing procedures to evaluate the effectiveness of the Board, committees of the Board and the contributions of individual Board members. The Governance, Compensation and Nominating Committee takes reasonable steps to evaluate and assess, on an annual basis, directors' performance and effectiveness of the Board, Board committees, individual members, the Board Chair and committee Chairs. The assessment addresses, among other things, individual director independence, individual director and overall Board skills, and individual director financial literacy. The Board receives and considers the recommendations from the Governance, Compensation and Nominating Committee regarding the results of the evaluation of the performance and effectiveness of the Board, Board committees and individual members.

The directors believe that the members of the Governance, Compensation and Nominating Committee individually and collectively possess the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation matters and general business leadership, to fulfill the Governance,

Compensation and Nominating Committee's mandate. All members of the Governance, Compensation and Nominating Committee have substantial knowledge and experience as current and former senior executives of large and complex organizations and/or on the boards of other publicly traded entities.

Ethical Business Conduct

The Company has adopted a written code of conduct (the "**Code of Conduct**") that applies to all directors, officers, and management of the Company and its subsidiaries. The objective of the Code of Conduct is to provide guidelines for maintaining the integrity, reputation, honesty, objectivity and impartiality of the Company and its subsidiaries. The Code of Conduct addresses conflicts of interest, protection of the Company's assets, confidentiality, fair dealing with securityholders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour. As part of the Code of Conduct, any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to the Company's best interests or that may give rise to real, potential or the appearance of conflicts of interest. The Board has ultimate responsibility for the stewardship of the Code of Conduct and monitors compliance through the Governance, Compensation and Nominating Committee. Employees and directors are required to annually certify that they have not violated the Code of Conduct. You may obtain a copy of the Code of Conduct upon request to our Corporate Secretary. If you are one of our securityholders, there will be no charge to you for this document. You can also find the Code of Conduct on our website (www.recipeunlimited.com) or on SEDAR (www.sedar.com).

Term Limits

The Company does not impose term limits on its directors as it takes the view that term limits are an arbitrary mechanism for removing directors which can result in valuable, experienced directors being forced to leave the Board solely because of length of service. Instead, the Company believes that directors should be assessed based on their ability to continue to make a meaningful contribution. The Company's annual performance review of directors assesses the strengths and weaknesses of directors and, in its view, is a more meaningful way to evaluate the performance of directors and to make determinations about whether a director should be removed due to under-performance.

Approval

Our Board has approved the contents of this Management Proxy Circular and the sending thereof to our shareholders, directors and auditor.

Dated April 3, 2019

By Order of the Board,
Dave Lantz
Vice President, General Counsel
& Corporate Secretary

Recipe Unlimited Corporation
199 Four Valley Drive, Vaughan, Ontario, Canada L4K 0B8

SCHEDULE A

RECIPE UNLIMITED CORPORATION MANDATE OF THE BOARD OF DIRECTORS

1. Statement of Purpose

The Board of Directors (the “**Board**”) is responsible for the stewardship of Recipe Unlimited Corporation (“**Recipe**”) and for supervising the management of the business and affairs of Recipe. Accordingly, the Board acts as the ultimate decision-making body of Recipe, except with respect to those matters that must be approved by the shareholders. The Board has the power to delegate its authority and duties to committees or individual members and to senior management as it determines appropriate, subject to any applicable law. The Board explicitly delegates to senior management responsibility for the day to day operations of Recipe, including for all matters not specifically assigned to the Board or to any committee of the Board. Where a committee of the Board or senior management is responsible for making recommendations to the Board, the Board will carefully consider those recommendations.

2. Board Mandate

The directors’ primary responsibility is to act in good faith and to exercise their business judgment in what they reasonably believe to be the best interests of Recipe. In fulfilling its responsibilities, the Board is, among other matters, responsible for the following:

- Determining, from time to time, the appropriate criteria against which to evaluate performance, and set strategic goals and objectives within this context;
- Monitoring performance against both strategic goals and objectives of Recipe;
- Appointing the CEO and other corporate officers;
- Delegating to the CEO and Executive Chair the authority to manage and supervise the business of Recipe, including making any decisions regarding Recipe’s ordinary course of business and operations that are not specifically reserved to the Board under the terms of that delegation of authority;
- Determining what, if any, executive limitations may be required in the exercise of the authority delegated to management;
- On an ongoing basis, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and the other executive officers create a culture of integrity throughout Recipe;
- Monitoring and evaluating the performance of the CEO, Executive Chair and the other executive officers against the corporate objectives;
- Succession planning;
- Participating in the development of and approving a long-term strategic plan for Recipe;
- Reviewing and approving the business and investment objectives to be met by management and ensuring they are consistent with long-term goals;
- Satisfying itself that Recipe is pursuing a sound strategic direction in accordance with the corporate objectives;
- Reviewing operating and financial performance results relative to established corporate objectives;
- Approving an annual fiscal plan and setting targets and budgets against which to measure executive performance and the performance of Recipe;
- Ensuring that it understands the principal risks of Recipe’s business, and that appropriate systems to manage these risks are implemented;
- Ensuring that the materials and information provided by Recipe to the Board and its committees are sufficient in their scope and content and in their timing to allow the Board and its committees to satisfy their duties and obligations;
- Reviewing and approving Recipe’s annual and interim financial statements and related management’s discussion and analysis, annual information form, annual report (if any) and management proxy circular;

- Overseeing Recipe’s compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures;
- Confirming the integrity of Recipe’s internal control and management information systems;
- Approving any securities issuances and repurchases by Recipe;
- Determining the amount and timing of dividends to shareholders, if any;
- Approving the nomination of directors;
- Maintaining records and providing reports to shareholders;
- Establishing committees of the Board, where required or prudent, and defining their respective mandates;
- Approving the charters of the Board committees and approving the appointment of directors to Board committees and the appointment of the Chairs of those committees;
- Satisfying itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management;
- Adopting a communications policy for Recipe (including ensuring the timeliness and integrity of communications to shareholders, other stakeholders and the public and establishing suitable mechanisms to receive shareholder views); and
- Monitoring the social responsibility, integrity and ethics of Recipe.

3. **Independence of Directors**

The Board is comprised of a greater number of independent members than non-independent members. For this purpose, a director is independent if he or she would be independent within the meaning of National Instrument 58- 101 — *Disclosure of Corporate Governance Practices*, as the same may be amended from time to time. On an annual basis, the Board will determine which of its directors is independent based on the rules of applicable stock exchanges and securities regulatory authorities and will publish its determinations in the management circular for Recipe’s annual meeting of shareholders. Directors have an on-going obligation to inform the Board of any material changes in their circumstances or relationships that may affect the Board’s determination as to their independence and, depending on the nature of the change, a director may be asked to resign as a result.

At any time that Recipe has a Chair of the Board who is not “independent” within the meaning of applicable securities laws and stock exchange rules, the Chair of the Board shall be responsible for ensuring that the Directors who are independent of management have opportunities to meet without management present. Discussions are to be led by an independent director who will provide feedback subsequently to the Chair of the Board. Independent directors will be encouraged by the Chair of the Board to have open and candid discussions with the Chair.

4. **Board Size**

The Board is currently comprised of eight (8) members, six (6) of which are independent and two (2) of which are not independent. The Board will periodically review whether its current size is appropriate. The size of the Board will, in any case, be within the minimum and maximum number provided for in the articles and the by-laws of Recipe.

5. **Committees**

The Board will have an Audit Committee, and a Governance, Compensation and Nominating Committee, the charters of each of which will be as established by the Board from time to time. The Board may, from time to time, establish and maintain additional or different committees as it deems necessary or appropriate.

Circumstances may warrant the establishment of new committees, the disbanding of current committees or the reassignment of authority and responsibilities amongst committees. The authority and responsibilities of each committee are set out in a written mandate approved by the Board. At least annually, each mandate shall be reviewed and, on the recommendation of the Governance, Compensation and Nominating Committee, approved by the Board. Each Committee Chair shall provide a report to the Board on material matters considered by the Committee at the next regular Board meeting following such Committee’s meeting.

6. **Board Meetings**

Agenda

The Chair is responsible for establishing the agenda for each Board meeting.

Frequency of Meetings

The Board will meet as often as the Board considers appropriate to fulfill its duties, but in any event at least once per quarter.

Responsibilities of Directors with Respect to Meetings

Directors are expected to regularly attend Board meetings and Committee meetings (as applicable) and to review in advance all materials for Board meetings and Committee meetings (as applicable).

Minutes

Regular minutes of Board and Committee proceedings will be kept and will be circulated on a timely basis to all directors and Committee members, as applicable, and the Chair (and to other directors, by request for review and approval).

Attendance at Meetings

The Board (or any Committee) may invite, at its discretion, non-directors to attend a meeting. Any member of management will attend a meeting if invited by the directors. The Chair may attend any Committee meeting.

Meetings of Independent Directors

After each meeting of the Board, the independent directors may meet without the non-Independent Director. In addition, separate, regularly scheduled meetings of the independent directors of the Board may be held, at which members of management are not present. The agenda for each Board meeting (and each Committee meeting to which members of management have been invited) will afford an opportunity for the independent directors to meet separately.

Residency

Applicable residency requirements will be complied with in respect of any Board or Committee meeting.

7. **Communications with Shareholders and Others**

The Board will ensure that there is timely communication of material corporate information to shareholders.

Shareholders and others, including other securityholders, may contact the Board with any questions or concerns, including complaints with respect to accounting, internal accounting controls, or auditing matters, by contacting the Chief Financial Officer of Recipe at:

199 Four Valley Drive
Vaughan, Ontario, Canada L4K 0B8

8. **Service on other Boards and Audit Committees**

The Board believes that its members should be permitted to serve on the boards of other public entities so long as these commitments do not materially interfere with and are not incompatible with their ability to fulfill their duties as a member of the Board.

9. **Code of Conduct**

The Board will adopt a Code of Business Conduct and Ethics (the “**Code**”). The Board expects all directors, officers and employees of Recipe and its subsidiaries to conduct themselves in accordance with the highest ethical standards, and to adhere to the Code. Any waiver of the Code for directors or executive officers may only be made by the Board or one of its Committees and will be promptly disclosed by Recipe, as required by applicable law, including the requirements of any applicable stock exchanges.

SCHEDULE B

RSU PLAN

RECIPE UNLIMITED CORPORATION

Restricted Share Unit Plan

Effective as of August 9, 2018

Restricted Share Unit Plan

ARTICLE 1 PURPOSE

1.1 Purpose of this Plan

The purpose of this Plan is to assist the Company in attracting, retaining and motivating key employees and Directors in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Company's shareholders.

1.2 Application of this Plan

This Plan shall be effective as of August 9, 2018. The Board may, in its discretion, at any time, and from time to time, issue Restricted Share Units to Eligible Participants as it determines appropriate under this Plan. However, any such issued Restricted Share Units may not be paid out in Shares in any event until receipt of the necessary approvals from shareholders of the Company, the Toronto Stock Exchange, and any other applicable regulatory bodies authorities.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the following meanings, respectively:

- (a) **"Applicable Withholding Amount"** means any and all taxes and other source deductions or other amounts which the Company is required by law to withhold from any amounts to be paid or credited hereunder;
- (b) **"Blackout Period"** means any period imposed by the Company, during which specified individuals, including insiders of the Company, may not trade in the Company's securities (including for greater certainty any period during which specific individuals are restricted from trading because they have material non-public information), but does not include any period when a regulator has halted trading in the Company's securities;
- (c) **"Board"** means the board of directors of the Company;
- (d) **"Business Day"** means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (e) **"Company"** means Recipe Unlimited Corporation, and any successor thereto;
- (f) **"Control"** and similar expressions mean a relationship between two Persons wherein one of such Persons has the power, through the ownership of equity securities, by contract or otherwise, to directly or indirectly direct the management and policies of the other such Person;
- (g) **"Date of Grant"** means, for any RSUs, the date upon which the RSUs were granted or such later date specified by the Plan Administrator at the time it grants the RSUs;
- (h) **"Director"** means a member of the Board;
- (i) **"Disabled"** or **"Disability"** means the permanent and total incapacity of the Participant as determined by the Board for purposes of this Plan;

- (j) **“Eligible Participant”** means an Employee Participant or Director, who the Board has identified may be granted RSUs pursuant to this Plan;
- (k) **“Employee Participant”** means a current employee of the Company or a Related Entity of the Company;
- (l) **“Exercise Notice”** means a notice in writing, in the form set out in Schedule “B”, signed by a Participant and stating the Participant’s intention to exercise a particular RSU;
- (m) **“Fairfax Company”** means Fairfax Financial Holdings Limited (and any of its successors) and all of its Related Entities, collectively;
- (n) **“Fair Market Value”** means the volume weighted average trading price of the Subordinate Voting Shares on the Toronto Stock Exchange for the five (5) trading days on which the Subordinate Voting Shares were traded immediately preceding the applicable day or, if the Subordinate Voting Shares are not then traded on the Toronto Stock Exchange, the fair market value of a Subordinate Voting Share as determined by the Board in its discretion; provided that, in respect of any Participants who are U.S. taxpayers, the Fair Market Value shall be the greater of (i) the volume weighted average trading price of the Subordinate Voting Shares on the Toronto Stock Exchange for the five (5) trading days on which the Subordinate Voting Shares were traded immediately preceding the applicable day and (ii) the closing price of the Subordinate Voting Shares on the Toronto Stock Exchange on the last trading day on which the Subordinate Voting Shares were traded immediately preceding the applicable date;
- (o) **“Liquidity Event”** means:
 - i. an event, in one transaction or a series of transactions (related or otherwise), including any amalgamation, arrangement, merger, consolidation, tender offer, exchange offer, share acquisition, binding share exchange, business combination, recapitalization or similar transaction, which results in one Person, other than with a Fairfax Company or Phelan Group Shareholder or any combination of the two, together with any Related Entities of such Person, acquiring beneficial ownership, directly or indirectly, or exercising direction or control, over more than 50% of the combined voting power attached to all of the Company’s outstanding Securities;
 - ii. a sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of transactions (related or otherwise), of all or substantially all of the assets of the Company except where such sale, lease, transfer or other disposition is to a Related Entity of the Company or to a Fairfax Company or a Phelan Group Shareholder including a partnership or other entity connected to a royalty trust structure connected to the Company;
 - iii. the adoption by the Company of a plan of liquidation providing for the distribution of all or substantially all of the Company’s assets; or
 - iv. any event specified from time to time by the Board;

provided however, unless otherwise determined by the Board, that any one or more of the following events shall not constitute a Liquidity Event: (i) an amalgamation or consolidation of the Company with or into a Related Entity of the Company or with or into a Fairfax Company or a Phelan Group Shareholder; (ii) a transaction undertaken solely for the purpose of changing the Company’s place of domicile or jurisdiction of incorporation; (iii) a change of control by virtue of any other transaction with a Fairfax Company or a Phelan Group Shareholder; or (iv) a change of control by virtue of Phelan Group Shareholders completing a transaction with a Phelan Group Shareholders company;

- (p) **“Multiple Voting Shares”** means the multiple voting shares in the capital of the Company;

- (q) **“Participant”** means an Eligible Participant who is participating in the Plan in accordance with Section 3.3 or has received a discretionary grant of RSUs in accordance with Section 4.5;
- (r) **“Performance Conditions”** means at the time a grant of RSUs is made, the Board may, in its sole discretion, establish such performance conditions necessary to earn and subsequent vesting of RSUs and such conditions shall be described in the RSU Grant Notice;
- (s) **“Person”** includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, limited liability company, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;
- (t) **“Phelan Group Shareholders”** means Cara Holdings Limited and its Related Entities, together with the Related Entities of Gail Regan, Rosemary Phelan and Holiday Phelan-Johnson, and their respective permitted assigns;
- (u) **“Plan”** means this Restricted Share Unit Plan as set out herein and as amended from time to time in accordance with the provisions hereof;
- (v) **“Plan Administrator”** means the Board or such other person or committee to whom the Board may have delegated the administration and operation of this Plan pursuant to Section 3.2;
- (w) **“Restricted Share Unit”** or **“RSU”** means a unit equivalent in value to a Subordinate Voting Share, credited by means of a bookkeeping entry in the books of the Company;
- (x) **“Related Entity”** means, with respect to any Person, an entity that Controls, is Controlled by, or is under common Control with, that Person;
- (y) **“Retirement”** means retirement from active employment with the Company or a Related Entity of the Company at or after age sixty (60) provided that such employee (i) has given at least one hundred and twenty (120) days prior written notice of resignation to the CEO of the Company, (ii) is retiring in good standing with the Company, (iii) shall not work for a competitor of the Company for a period of two (2) years following the effective date of retirement from the Company, (iv) shall not obtain alternate full time employment for a period of two (2) years following the effective date of retirement from the Company (it being understood that consulting, advisory and board work will be permitted, other than to a competitor of the Company), and (v) the Plan Administrator has approved such retirement, at its discretion;
- (z) **“RSU Grant Notice”** means a notice of grant, substantially in the form attached as Schedule A, subject to any amendments or additions as may, in the discretion of the Board, be necessary or advisable, evidencing the RSUs granted and the corresponding terms and conditions under this Plan, and as signed by any one of the CEO, CFO and General Counsel on behalf of the Company;
- (aa) **“RSU Shares”** means Subordinate Voting Shares that will be issued by the Company upon the exercise of outstanding RSUs;
- (bb) **“Shares”** means, collectively, the issued and outstanding Subordinate Voting Shares and Multiple Voting Shares, and includes (i) any shares or securities into which Shares may be converted or changed or which result from a consolidation, subdivision, reclassification or redesignation of Shares, and (ii) any shares or securities which may be received by the parties hereto or bound hereby as a result of an amalgamation, merger, arrangement or other reorganization of or including the Company;
- (cc) **“Subordinate Voting Shares”** means the subordinate voting shares in the capital of the Company;

- (dd) **“Termination Date”** means:
- i. in the case of an Employee Participant whose employment with the Company or a Related Entity of the Company terminates in the circumstances set out in Section 4.8(b) or Section 4.8(c), the date that is the last day of active employment (taking into account any statutory notice period that is applicable to the Participant provided such statutory notice period is required by applicable employment standards legislation to be factored into the determination of the Termination Date (for greater certainty, such determination shall not include any period of post termination salary continuance beyond the applicable statutory notice period)), provided that in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and for greater certainty **“Termination Date”** specifically does not mean the date on which any period of reasonable notice that the Company or the Related Entity of the Company (as the case may be) may be required at law to provide to the Participant expires;
 - ii. in the case of an Employee Participant whose employment with the Company or a Related Entity of the Company ceases due to death or Disability, the date that is the date upon which such death or Disability has occurred (the date of which shall be as determined by the Board or as the Board may be delegate);
 - iii. in the case of an Employee Participant whose employment with the Company or a Related Entity of the Company ceases due to Retirement, the date as determined by the Plan Administrator;
 - iv. in the case of a Director who ceases to hold office in the circumstances set out in Section 4.8(f) or Section 4.8(g), the date upon which the Participant ceases to hold office; or
 - v. in the case of a Director who is also an Employee Participant at the time of the applicable Date of Grant, the termination date shall be the date that is the later of the applicable termination dates set forth in: (a) subparagraph 2.1(ee)(i) above; and (b) subparagraph 2.1(ee)(iv) above.

2.2 Interpretation

- (a) This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- (b) Whenever the Board is to exercise discretion in the administration of the terms and conditions of this Plan, the term “discretion” means the sole and absolute discretion of the Plan Administrator.
- (c) As used herein, the terms **“Article”**, **“Section”** and **“Schedule”** mean and refer to the specified Article, Section and Schedule of this Plan, respectively.
- (d) Where the word **“including”** or **“includes”** is used in this Plan, it means “including (or includes) without limitation”.
- (e) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (f) Whenever any payment is to be made or action is to be taken on a day which is not a Business Day, such payment shall be made or such action shall be taken on the next following Business Day.
- (g) Unless otherwise specified, all references to money amounts are to Canadian currency.

ARTICLE 3
ADMINISTRATION OF THE PLAN

3.1 Administration

Subject to Section 3.2, this Plan will be administered by the Board and the Board has sole and complete authority, in its discretion, to:

- (a) determine the individuals (from among the Participants) to whom RSUs may be granted;
- (b) grant RSUs in such amounts and, subject to the provisions of this Plan, on such terms and conditions as it determines, including any applicable limitations, restrictions, vesting period and conditions;
- (c) interpret this Plan and adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan;
- (d) exercise rights reserved to the Company under the Plan;
- (e) prescribe forms for notices to be prescribed by the Company under this Plan; and
- (f) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

The Board's determinations and actions within its authority under this Plan are conclusive and binding on the Company, the Participant and all other Persons.

3.2 Delegation of Plan Administration

- (a) The initial Plan Administrator shall be the Board. The day-to-day administration and operation of this Plan may be delegated to such officers and employees of the Company as the Board determines, which delegation may be revoked by the Board at any time in its sole discretion.
- (b) No member of the Board or any person acting pursuant to authority delegated by the Board under this Plan shall be liable for any action or determination in connection with the Plan made or taken in good faith, and each member of the Board and each such person shall be entitled to indemnification by the Company with respect to any such action or determination

3.3 Eligibility

Any individual who at the relevant time is an Eligible Participant is eligible to participate in the Plan. Eligibility to participate or prior year's participation does not confer upon any individual a right to receive an award of Restricted Share Units pursuant to the Plan. The extent to which any Participants are entitled to be granted RSUs pursuant to this Plan will be determined in the discretion of the Plan Administrator. By accepting the grant of RSUs under this Plan the Participant agrees to be bound by all the terms and conditions of the Plan.

3.4 Total Subordinate Voting Shares Subject to RSUs

- (a) The aggregate number of Subordinate Voting Shares that may be issued pursuant to all security-based compensation arrangements of the Company, shall be a maximum of fifteen percent (15%) of the issued and outstanding Shares from time to time. No RSUs may be granted if such grant would have the effect of causing the total number of Subordinate Voting Shares subject to RSUs (including all other security-based compensation arrangements of the Company, collectively), to exceed the above-noted total number of Subordinate Voting Shares reserved for issuance pursuant to the exercise of RSUs.

- (b) All Subordinate Voting Shares issued pursuant to the exercise of RSUs (including all other security-based compensation arrangements of the Company, collectively) and all Subordinate Voting Shares reserved for issuance pursuant to RSUs (including all other security-based compensation arrangements of the Company, collectively) which are cancelled or terminated without having been exercised shall be again available for issuance pursuant to RSUs granted under this Plan.

3.5 RSU Grant Notice

All grants of RSUs under this Plan will be evidenced by an RSU Grant Notice. Such RSU Grant Notices will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. The Plan Administrator shall authorize and empower any director or the CEO, CFO or General Counsel of the Company to execute and deliver, for and on behalf of the Company, an RSU Grant Notice to each Participant.

3.6 Non-Transferability

Subject to Section 4.6, Section 4.7 (as it relates to Death and Disability) and the rules and policies of any stock exchange on which the Subordinate Voting Shares are listed, if applicable, and applicable law, RSUs granted under this Plan may only be exercised during the lifetime of the Participant by such Participant personally. No assignment or transfer of RSUs, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such RSUs whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such RSUs will terminate and be of no further force or effect.

ARTICLE 4 RESTRICTED SHARE UNITS

4.1 Grant of Restricted Share Units

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant RSUs to any Participant as reflected in the applicable Participant's RSU Grant Notice.

4.2 Term of RSUs

Subject to any accelerated termination as set forth in this Plan, each RSU, unless otherwise specified by the Plan Administrator, expires ten (10) years from the Date of Grant. Notwithstanding the foregoing, if any RSUs would otherwise expire during a Blackout Period, the term of such RSUs shall automatically be extended until ten (10) Business Days after the end of the Blackout Period.

4.3 Performance Conditions

The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions to earn applicable RSUs. The Board may determine that in addition to requiring the earning of any one or more Performance Conditions the Employee Participant must still be employed by the Company at the end of the applicable vesting period (as described in the RSU Grant Notice), before any RSUs may be deemed vested, in whole or in part. Performance Conditions and vesting periods may differ for Restricted Share Units granted to any one Participant or to different Participants, including different Performance Conditions and/or vesting periods for different RSU grants to the same Participant.

4.4 Exercise Period and Vesting

- (a) Unless otherwise specified by the Plan Administrator at the time of granting an RSU and except as otherwise provided in this Plan (including any requirement to earn Performance Conditions):
 - i. Vesting: each earned RSU will vest on the third (3rd) anniversary of the Date of Grant unless vesting is accelerated as provided for in this Plan; and

- ii. Exercise Period: each vested RSU shall be exercisable from the third (3rd) anniversary of the Date of Grant, until the tenth (10th) anniversary of the Date of Grant unless otherwise provided for in this Plan.
- (b) Once an RSU becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the RSU, unless otherwise specified by the Plan Administrator. Each RSU may be exercised at any time or from time to time, in whole or in part, for up to the total number of RSU Shares with respect to which it is then exercisable.
- (c) Subject to the provisions of this Plan and any RSU Grant Notice, RSUs shall be exercised by means of a fully completed Exercise Notice delivered to the Company.

4.5 Discretionary Grants

In addition to the grant of Restricted Share Units as contemplated by Section 4.1, the Board may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant additional Restricted Share Units to any Participant on a discretionary basis (with or without Performance Conditions). A discretionary grant of Restricted Share Units for a calendar year to a Participant shall be evidenced by a RSU Grant Notice. The Board may, in its sole discretion, designate a vesting schedule or terms and conditions applicable to any such RSU Grant Notice.

4.6 Settlement of Vested and Exercisable RSUs and Payment of Applicable Withholding Amount

Unless otherwise specified by the Plan Administrator at the time of granting an RSU for the Participant to exercise and settle vested RSUs, the Participant must submit a completed Exercise Notice indicating the Participant's settlement election for vested and exercisable RSUs:

- (a) whereby the Participant elects on the Exercise Notice to receive an amount in cash per RSU equal to the cash proceeds realized upon the sale of the Subordinate Voting Shares (subject to market conditions for such sale) by a securities dealer in the capital markets, less the Applicable Withholding Amount;
- (b) whereby the Participant elects on the Exercise Notice to receive an aggregate number of Subordinate Voting Shares that is equal to the number of RSUs underlying the RSU Grant Notice minus the number of Subordinate Voting Shares sold by a securities dealer (subject to market conditions for such sale) in the capital markets as required to realize cash proceeds equal to the Applicable Withholding Amount; or
- (c) whereby the Participant elects on the Exercise Notice to receive the number of Subordinate Voting Shares that is equal to the number of RSUs underlying the RSU Grant Notice and the Participant shall be responsible for paying in cash, or by certified cheque, bank draft or money order payable to the Company an amount equal to the Applicable Withholding Amount.

For certainty, the Applicable Withholding Amount must be fully paid by the Participant to the Company at the time of settlement (by such means as noted in 4.6 (a) (b) or (c) above or as might be specified from time to time by the Company). The transfer cost charged by the securities dealer to sell the Subordinate Voting Shares shall also be the responsibility of the Participant and accordingly, such amount may be deducted by the securities dealer from the net proceeds payable to the Participant.

No Subordinate Voting Shares will be issued or transferred until full payment of the Applicable Withholding Amount has been received by the Company and the Participant has signed any applicable documents as determined by the Company acting reasonably. If, as and when any Subordinate Voting Shares have been duly issued upon the exercise of an RSU and in accordance with the terms of such RSU and this Plan and any regulations made hereunder, such Subordinate Voting Shares shall be conclusively deemed allotted as fully paid and non-assessable.

4.7 Retirement, Death or Disability of Participant

Subject to Section 4.9 or unless otherwise specified by the Plan Administrator at the time of granting an RSU, if a Participant dies or becomes Disabled while an employee or director of the Company or a Related Entity of the Company or if the employment or term of office of the Participant with the Company or a Related Entity of the Company terminates due to Retirement:

- (a) the executor or administrator of the Participant's estate or the Participant, as the case may be, may exercise any RSUs of the Participant to the extent that the RSUs have vested as at the date of such death, Disability or Retirement and the right to exercise such RSUs terminates on the earlier of:
 - (i) the date on which the Exercise Period of the particular RSU expires; or
 - (ii) the date that is one hundred and eighty (180) days after the Participant's death or Disability; or
 - (iii) the date that is two (2) years after the Participant's Retirement;
- (b) earned RSUs where the applicable Performance Conditions have been satisfied but have not vested by the applicable Termination Date will accelerate and vest on a pro-rata basis, up to the applicable Termination Date, and the Participant may follow the steps set forth in Section 4.6 and this Section 4.7 (as applicable) to settle the vested RSUs; and

the Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the date of the Participant's death, Disability or Retirement, as the case may be.

4.8 Termination of Employment or Services

Subject to Section 4.9, or unless otherwise specified by the Plan Administrator at the time of granting an RSU:

- (a) Where, in the case of an Employee Participant, such employment with the Company or a Related Entity of the Company ceases by reason of the Participant's death, Disability or Retirement, then the provisions of Section 4.7 will apply.
- (b) Where, in the case of an Employee Participant, such employment is terminated by the Company or a Related Entity of the Company without cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice), then any RSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is ninety (90) days after the Termination Date. Any RSUs held by the Participant that have not vested as at the Termination Date immediately expire and are cancelled on the Termination Date.
- (c) Where, in the case of an Employee Participant, such employment terminates by reason of: (i) termination by the Company or a Related Entity of the Company for cause; or (ii) voluntary resignation by the Participant, then any RSUs held by the Participant, that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
- (d) Where, in the case of an Employee Participant, such employment terminates by reason of voluntary resignation by the Employee Participant, then the RSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is ninety (90) days after the Termination Date.
- (e) Where, in the case of an Employee Participant, such employment terminates by reason of termination by the Company or a Related Entity of the Company for cause then any RSUs held by the Employee Participant, that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is ninety (90) days after the Termination Date, provided the Employee Participant's termination is not due to criminal act (as determined by the Plan Administrator in its sole discretion), in which case the Employee Participant's right to exercise shall not apply and the vested RSUs shall immediately expire and be cancelled on the Termination Date.

- (f) Where, in the case of a Director, a Participant ceases to hold office by reason of (i) removal by the shareholders of the Company or of the Related Entity of the Company, as the case may be, or (ii) voluntary resignation by the Participant, then any RSUs held by the Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular RSU expires; or (ii) the date that is sixty (60) days after the Termination Date. Any RSUs held by the Participant that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
- (g) Notwithstanding Section 4.8(f), where, in the case of a Director, a Participant ceases to hold office and it was determined by the Plan Administrator (in its sole discretion) that such Director committed a criminal act then any RSUs held by the Participant, whether or not they have vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
- (h) A Participant's eligibility to receive further grants of RSUs under this Plan ceases as of the date that the Company or a Related Entity of the Company, as the case may be, provides the Participant with written notification that the Participant's employment is terminated, notwithstanding that such date may be prior to the Termination Date.
- (i) Notwithstanding Sections 4.8(b) and 4.8(f), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, RSUs are not affected by a change of employment or service within or among the Company or a Related Entity of the Company for so long as the Employee Participant continues to be an employee of the Company or for so long as the Director continues to be a director or officer of the Company.

4.9 Discretion to Permit Exercise

Notwithstanding the provisions of Sections 4.7 and 4.8, the Plan Administrator may, in its discretion, at any time prior to or following the events contemplated in such sections, permit the exercise of any or all RSUs held by the Participant in the manner and on the terms authorized by the Plan Administrator, provided that the Plan Administrator will not, in any case, authorize the exercise of an RSU pursuant to this Section 4.9 beyond the expiration of the Exercise Period of the particular RSU.

4.10 Liquidity Event

Notwithstanding anything else in this Plan or any RSU Grant, in the case of a Liquidity Event all granted and unvested RSUs that have earned the applicable Performance Conditions shall vest on an accelerated basis.

4.11 Dividends

For certainty, although dividends may be declared and paid on Subordinate Voting Shares, additional RSUs shall not be credited to the Participant's RSU account if any dividends are declared/paid.

ARTICLE 5 SHARE CAPITAL ADJUSTMENTS

5.1 Share Capital Adjustments

If there is any change in the outstanding Subordinate Voting Shares by reason of any stock dividend or split, or in connection with a reclassification, reorganization, consolidation, distribution, merger or amalgamation or other change of Subordinate Voting Shares, the Board shall make, the appropriate substitution or adjustment in order to maintain the Participants' economic rights in respect of their RSUs in connection with such change, including without limitation adjustments to the number of RSUs recorded in the Participant's notional account.

5.2 Compliance with Laws

The administration of the Plan shall be subject to and made in conformity with all applicable laws and any applicable regulations of a duly constituted regulatory authority. Should the Board, in its sole discretion, determine that it is not feasible or desirable to honour an election in favour of Restricted Share Units due to such laws or regulations, the Company's obligation shall be satisfied by means of an equivalent cash payment (equivalence being determined on a before-tax basis). For greater certainty, the Board may adopt such rules or regulations and vary the terms of this Plan and any grant of RSUs as it considers necessary to address tax or other requirements of any applicable non-Canadian jurisdiction.

5.3 Reorganization of the Company

The existence of any Restricted Share Units does not affect in any way the right or power of the Company or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company, to create or issue any bonds, debentures, Shares or other securities of the Company or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this section would have an adverse effect on this Plan or any Restricted Share Units granted hereunder.

5.4 Immediate Exercise of Awards

Where the Plan Administrator determines that the steps provided in Sections 5.1 and 5.3 would not preserve proportionately the rights and obligations of the Participant in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may permit the immediate vesting and/or exercise, effective no later than the Business Day immediately prior to the date on which the event referenced in Section 5.1 or 5.3 is consummated, of any outstanding RSUs that are not otherwise vested and/or exercisable, and the cancellation of any outstanding RSUs which are not exercised within any specified period.

5.5 Assignment

Rights and obligations under the Plan may be assigned by the Company to a successor in the business of the Company, any Company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any Company acquiring all or substantially all of the assets or business of the Company.

5.6 Units Non-Transferable

Restricted Share Units are non-transferable. Certificates representing Restricted Share Units will not be issued by the Company.

5.7 Additional Rights

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in this Plan does not constitute a condition of employment or service nor a commitment on the part of the Company to ensure the continued employment or service of such Participant. This Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Subordinate Voting Shares. The Company does not assume responsibility for the personal income or other tax consequences for the Participants and they are advised to consult with their own tax advisors.

5.8 No Shareholder Rights

Under no circumstances shall Restricted Share Units be considered Shares or other securities of the Company, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, nor shall any Participant be considered the owner of Shares by virtue of the award of Restricted Share Units.

5.9 Amendments and Termination

- (a) The Board may amend, suspend or terminate this Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange), if any, that require the approval of security holders or any governmental or regulatory body. However, except as expressly set forth herein, no action of the Board or security holders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any RSUs previously granted to the Participant. Without limiting the generality of the foregoing, the Board may make the following types of amendments to this Plan without seeking security holder approval:
- i. amendments of a “housekeeping” or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
 - ii. amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange);
 - iii. amendments necessary for grants to qualify for favourable treatment under applicable tax laws;
 - iv. any amendment to the vesting provisions of this Plan or any RSU;
 - v. any amendment to the termination or early termination provisions of this Plan or any RSU, provided such amendment does not entail an extension beyond the expiry of the Exercise Period; and
 - vi. amendments necessary to suspend or terminate this Plan.
- (b) Security holder approval will be required for the following types of amendments:
- i. amendments to the number of Subordinate Voting Shares issuable under this Plan, including an increase to a fixed maximum percentage of Subordinate Voting Shares or a change from a fixed maximum percentage of Subordinate Voting Shares to a fixed maximum number;
 - ii. any amendment to this Plan that increases the length of the period after a Blackout Period during which RSUs may be exercised;
 - iii. any amendment extending the term of an RSU held by an insider beyond the expiry of its Exercise Period, except as provided in Section 4.2;
 - iv. any amendment to the amendment provisions granting additional powers to the Board to amend this Plan without security holder approval;
 - v. any amendment which would allow for the transfer or assignment of RSUs under this Plan, other than for normal estate settlement purposes; and
 - vi. amendments required to be approved by security holders under applicable law (including the rules, regulations and policies of the Toronto Stock Exchange).

5.10 Unfunded and Unsecured Plan

This Plan shall be unfunded and the Company will not secure its obligations under this Plan. To the extent any Participant or his or her estate holds any rights by virtue of a grant of RSUs under this Plan, such rights shall be no greater than the rights of an unsecured creditor of the Company.

5.11 Non-Exclusivity

Nothing contained in this Plan prevents the Company from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or shareholder approval.

5.12 Corporate Action

Nothing contained in this Plan or in an RSU shall be construed so as to prevent the Company from taking corporate action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any RSU, including, with respect to an RSU previously granted.

5.13 Notices

All written notices to be given by the Participant to the Company shall be delivered personally or by registered mail, postage prepaid, addressed as follows:

Recipe Unlimited Corporation
199 Four Valley Drive
Vaughan, ON L4K 0B8

Attention: Vice President, General Counsel
Facsimile: 1 866 707 1268

Any notice given by the Participant pursuant to the terms of an RSU shall not be effective until actually received by the Company at the above address.

5.14 Governing Law

This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

[Schedules to the Plan follow this page.]

SCHEDULE A

RESTRICTED SHARE UNIT PLAN

FORM OF RSU GRANT NOTICE

Recipe Unlimited Corporation (the “**Company**”) hereby grants the following award to the Participant named below in accordance with and subject to the terms, conditions and restrictions of this RSU Grant Notice (“**Notice**”), together with the provisions of the Restricted Share Unit Plan of the Company (the “**Plan**”) dated August 9, 2018:

Name and Address of Participant: _____

Type of Participant: [Employee Participant/Director]

Date of Grant: _____

Total Number of Granted RSUs: _____

Performance Conditions: the following performance conditions must be satisfied before any RSUs may be subject to vesting and exercise:

Subject to the terms of the Plan, if the Company’s [insert applicable fiscal year] overall Annual Budget (i.e. the annual budget approved by the Board for the applicable fiscal year) is earned, then the performance conditions will be satisfied and consequently the RSUs identified in this Notice will be subject to vesting and exercise.

Vesting Period: Subject to the terms of the Plan and subject to earning the Performance Conditions, each RSU will vest on the third (3rd) anniversary of the Date of Grant.

Exercise Period: Subject to the terms of the Plan and subject to earning the Performance Conditions, the Exercise Period shall be from the third (3rd) anniversary of the Date of Grant, until the tenth (10th) anniversary of the Date of Grant unless otherwise provided for in the Plan.

1. The terms and conditions of the Plan are hereby incorporated by reference as terms and conditions of this Notice and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings ascribed thereto in the Plan.
2. Subject to Sections 4.10 (Liquidity Event) and 5.4 (Immediate Exercise of Awards) of the Plan and unless otherwise determined by the Plan Administrator at the time of granting an RSU, each RSU is exercisable as set forth in Section 4.4 of the Plan.
3. In no event are the RSUs granted hereunder exercisable after the expiration of the relevant Exercise Period.
4. No fractional Subordinate Voting Shares will be issued on the exercise of the RSUs granted hereunder. If, as a result of any adjustment to the number of Subordinate Voting Shares issuable on the exercise of the RSUs granted hereunder pursuant to the Plan, the Participant would be entitled to receive a fractional Subordinate Voting Share, the Participant has the right to acquire only the adjusted number of full Subordinate Voting Shares and no payment or other adjustment will be made with respect to the fractional Subordinate Voting Shares so disregarded.
5. Nothing in the Plan or in this Notice will affect the right of the Company or any Related Entity to terminate the employment of any Eligible Participant at any time for any reason whatsoever. Upon such termination, the Participant’s rights to exercise RSUs will be subject to restrictions and time limits for the exercise of RSUs. Complete details of such restrictions are set out in the Plan (in particular Sections 4.7 and 4.8).
6. All notices to the Company must be delivered personally or by prepaid registered mail and must be addressed as follows:

199 Four Valley Drive
Vaughan, ON
L4K 0B8

Attention: Vice President, General Counsel
Facsimile: 1 866 707 1268

All notices to the Participant (if given in writing) will be addressed to the principal address of the Participant on file with the Company. Either the Company or the Participant may designate a different address by written notice to the other. Any notice given by either the Participant or the Company is not binding on the applicable recipient until received.

7. The Company is not obligated to grant any RSUs, issue any Subordinate Voting Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its sole discretion, such action would constitute a violation by an Participant or the Company of any provision of any applicable statutory or regulatory enactment of any government or government agency for so long as such violation remains outstanding.
8. Subject to Section 4.7 of the Plan, the RSUs granted pursuant to this RSU Grant Notice may only be exercised during the lifetime of the Participant by the Participant personally and, subject to Section 3.6 of the Plan, no assignment or transfer of the RSUs, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such RSUs whatsoever in any assignee or transferee, and immediately upon any assignment or transfer or any attempt to make such assignment or transfer, the RSUs granted hereunder terminate and are of no further force or effect. Complete details of this restriction are set out in the Plan.
9. The Participant hereby agrees that:
 - (a) any rule, regulation or determination, including the interpretation by the Plan Administrator, the RSUs granted hereunder and the exercise thereof, is final and conclusive for all purposes and binding on all Persons including the Company and the Participant;
 - (b) the grant of RSUs does not affect in any way the right of the Company or any Related Entity of the Company to terminate the employment or service of the Participant; and
 - (c) the Participant will not tender to the Company or its agent in any normal course issuer bid undertaken by the Company any Subordinate Voting Shares received (i) upon the exercise of RSUs hereunder, or (ii) pursuant to any of the Company's security based compensation arrangements (including pursuant to grants or issuances prior to the date of this RSU Grant Notice).
10. The Participant hereby agrees that notwithstanding any provision in the Plan or this RSU Grant Notice to the contrary, if the Plan Administrator determines that the Participant has violated any of the covenants set forth in Exhibit A attached to this RSU Grant Notice:
 - (a) any unexercised RSUs held by the Participant (whether vested or unvested) shall immediately terminate and be forfeited; and
 - (b) the Company or its designee may, upon written notice to the Participant, repurchase any Subordinate Voting Shares purchased upon the exercise of the RSUs at any time at a price equal to the lower of (i) the amount paid by the Participant for them, and (ii) the then-current Fair Market Value.
11. This RSU Grant Notice has been made in and is to be construed under and in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein

RECIPE UNLIMITED CORPORATION

By: _____
Name:
Title:

SCHEDULE B

EXERCISE NOTICE

I, _____, hereby exercise the vested RSUs in Recipe Unlimited Corporation (the “**Company**”). This Exercise Notice is delivered in respect of the RSUs which convert to Subordinate Voting Shares of the Company that was granted to me on _____ pursuant to the RSU Grant Notice entered into between the Company and me under the Performance Share Unit Plan (the “**Plan**”). In connection with the foregoing:

(tick one)

- I hereby elect to receive an amount in cash per RSU equal to the cash proceeds realized upon the sale of the Subordinate Voting Shares (subject to market conditions for such sale) by a securities dealer in the capital markets, less the Applicable Withholding Amount;
- I hereby elect to receive an aggregate number of Subordinate Voting Shares that is equal to the number of RSUs underlying the RSU Grant Notice minus the number of Subordinate Voting Shares sold by a securities dealer (subject to market conditions for such sale) in the capital markets as required to realize cash proceeds equal to the Applicable Withholding Amount; or
- I hereby elect to receive the number of Subordinate Voting Shares that is equal to the number of RSUs underlying the RSU Grant Notice and the Participant shall be responsible for paying in cash, or by certified cheque, bank draft or money order payable to the Company an amount equal to the Applicable Withholding Amount.

Capitalized terms used but not otherwise defined in this Exercise Notice shall have the meaning given in the Plan.

Date

Participant’s Signature

EXHIBIT A
LONG-TERM CONSIDERATION FOR RSUs

By accepting the RSU grant reflected in the RSU Grant Notice, the Participant agrees to observe the following covenants and agrees to the sanctions described in the Restricted Share Unit Plan dated August 9, 2018 (the “**Plan**”) in the event that the Company determines that the Participant has breached the following covenants:

1. Confidentiality

The Participant agrees that, by virtue of the performance of the normal duties associated with the Participant’s position or relationship with the Company or one of its Related Entities and by virtue of the relationship of trust and confidence between the Participant and the Company or one of its Related Entities, the Participant possesses and will possess certain data and knowledge of operations of the Company and/or its Related Entities which are confidential and proprietary in nature. The Participant covenants and agrees that the Participant will not, at any time, whether during the term of this Plan or otherwise, reveal, divulge or make known to any person or use for the Participant’s own account, any confidential or proprietary record, data, trade secret, pricing policy, bid amount, bid strategy, rate structure, personnel policy, method or practice of obtaining or doing business by the Company or any of its Related Entities, or any other confidential or proprietary information whatsoever (the “**Confidential Information**”), whether or not obtained with the knowledge and permission of the Company or one of its Related Entities and whether or not developed, devised or otherwise created in whole or in part by the Participant’s efforts. The Participant further covenants and agrees that the Participant shall retain all such knowledge and information acquired or developed in respect of such Confidential Information in trust for the sole benefit of the Company, its Related Entities and its successors and assigns. The Participant shall not, without the prior written consent of the Company, unless compelled pursuant to the order of a court or other governmental or legal body having jurisdiction over such matter, communicate or divulge any such Confidential Information to anyone other than the Company and those designated by it. In the event that the Participant is compelled by order of a court or other governmental or legal body to communicate or divulge any Confidential Information to anyone other than the Company and those designated by it, the Participant shall promptly notify the General Counsel or Chief Financial Officer of the Company of any such order and shall cooperate fully with the Company (and the owner of such Confidential Information) in protecting such information to the extent possible under applicable law.

2. Intellectual Property

The Participant covenants and agrees that:

- (a) all worldwide rights, title and interest in any and all advances, computer programs, concepts, compositions, data, database technologies, designs, discoveries, domain names, drawings, formulae, ideas, improvements, integrated circuit typographies, inventions, know-how, mask works, sketches, software, practices, processes, research materials, trade-secrets, work methods, patents, trade-marks, copyright works and any other intellectual property (whether registrable or not) produced, made, composed, written, performed, or designed by the Participant, either alone or jointly with others, in the course of the Participant’s employment or service with the Company or one of its Related Entities and in any way relating to the business of the Company or one of its Related Entities (the “**Intellectual Property**”), shall vest in and be the exclusive property of the Company;
- (b) both during the term of this Agreement and following termination of employment or service with the Company or one of its Related Entities, the Participant will fully and promptly disclose to the Company, complete details of any Intellectual Property right arising in connection with the Participant’s employment or service, with the intention that the Company shall have full knowledge and ownership of the working and practical applications of such right;
- (c) at the expense of the Company, the Participant will co-operate in executing all necessary deeds and documents and shall co-operate in all other such acts and things as the Company may reasonably require in order to vest such Intellectual Property rights in the name of the Company;

- (d) the Participant hereby waives any and all author's, moral, and proprietary rights that the Participant may now or in the future have in any Intellectual Property developed in the course of the Participant's employment or service with the Company or one of its Related Entities; and
- (e) the Company shall have the sole and exclusive ownership of and right of control over any and all business, customers, and goodwill created or developed by the Participant in the course of the Participant's employment or service with the Company or one of its Related Entities, including all information, records, and documents concerning business and customer accounts and all other instruments, documents, records, data, and information concerning or relating to the Company's business activities, interests and pursuits.

3. Non-Solicitation

The Participant covenants and agrees that the Participant will not, without the prior written consent of the board of directors of the Company, while remaining an Participant and/or holder of Subordinate Voting Shares and for the later of: (i) the non-solicitation period set out in the Participant's employment agreement, if any, and (ii) a period of twelve (12) months following the later of the last day that the Participant remains a Participant or holder of Subordinate Voting Shares (collectively the "**Restricted Period**"), directly or indirectly, for whatever reason, whether for the Participant's own benefit or for the benefit of any other person, firm, company or other organization with which the Participant has a relationship:

(a) solicit for employment, employ, or otherwise deal with in a manner which interferes with the relationship of the Company or any of its Related Entities with any person who is an employee of the Company or any of its Related Entities (an "**Employee**") during the Participant's employment with or service to the Company and during the Restricted Period, unless such Employee (i) shall no longer be actively employed or engaged by the Company or any of its Related Entities or (ii) without the direction of the Participant, responded to a public advertisement soliciting employment.

SCHEDULE C

PSU PLAN

RECIPE UNLIMITED CORPORATION

Performance Share Unit Plan

Effective as of August 9, 2018

Performance Share Unit Plan

ARTICLE 1 PURPOSE

1.1 Purpose of this Plan

The purpose of this Plan is to assist the Company in attracting, retaining and motivating key employees and Directors in the long-term success of the Company and to promote a greater alignment of their interests with the interests of the Company's shareholders.

1.2 Application of this Plan

This Plan shall be effective as of August 9, 2018. The Board may, in its discretion, at any time, and from time to time, issue Performance Share Units to Eligible Participants as it determines appropriate under this Plan. However, any such issued Performance Share Units may not be paid out in Shares in any event until receipt of the necessary approvals from shareholders of the Company, the Toronto Stock Exchange, and any other applicable regulatory bodies authorities.

ARTICLE 2 INTERPRETATION

2.1 Definitions

When used herein, unless the context otherwise requires, the following terms have the following meanings, respectively:

- (a) **"Applicable Withholding Amount"** means any and all taxes and other source deductions or other amounts which the Company is required by law to withhold from any amounts to be paid or credited hereunder;
- (b) **"Blackout Period"** means any period imposed by the Company, during which specified individuals, including insiders of the Company, may not trade in the Company's securities (including for greater certainty any period during which specific individuals are restricted from trading because they have material non-public information), but does not include any period when a regulator has halted trading in the Company's securities;
- (c) **"Board"** means the board of directors of the Company;
- (d) **"Business Day"** means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (e) **"Company"** means Recipe Unlimited Corporation, and any successor thereto;
- (f) **"Control"** and similar expressions mean a relationship between two Persons wherein one of such Persons has the power, through the ownership of equity securities, by contract or otherwise, to directly or indirectly direct the management and policies of the other such Person;
- (g) **"Date of Grant"** means, for any PSUs, the date upon which the PSUs were granted or such later date specified by the Plan Administrator at the time it grants the PSUs;
- (h) **"Director"** means a member of the Board;
- (i) **"Disabled"** or **"Disability"** means the permanent and total incapacity of the Participant as determined by the Board for purposes of this Plan;
- (j) **"Eligible Participant"** means an Employee Participant or Director, who the Board has identified may be granted PSUs pursuant to this Plan;

- (k) **“Employee Participant”** means a current employee of the Company or a Related Entity of the Company;
- (l) **“Exercise Notice”** means a notice in writing, in the form set out in Schedule “B”, signed by a Participant and stating the Participant’s intention to exercise a particular PSU;
- (m) **“Fairfax Company”** means Fairfax Financial Holdings Limited (and any of its successors) and all of its Related Entities, collectively;
- (n) **“Fair Market Value”** means the volume weighted average trading price of the Subordinate Voting Shares on the Toronto Stock Exchange for the five (5) trading days on which the Subordinate Voting Shares were traded immediately preceding the applicable day or, if the Subordinate Voting Shares are not then traded on the Toronto Stock Exchange, the fair market value of a Subordinate Voting Share as determined by the Board in its discretion; provided that, in respect of any Participants who are U.S. taxpayers, the Fair Market Value shall be the greater of (i) the volume weighted average trading price of the Subordinate Voting Shares on the Toronto Stock Exchange for the five (5) trading days on which the Subordinate Voting Shares were traded immediately preceding the applicable day and (ii) the closing price of the Subordinate Voting Shares on the Toronto Stock Exchange on the last trading day on which the Subordinate Voting Shares were traded immediately preceding the applicable date;
- (o) **“Liquidity Event”** means:
 - i. an event, in one transaction or a series of transactions (related or otherwise), including any amalgamation, arrangement, merger, consolidation, tender offer, exchange offer, share acquisition, binding share exchange, business combination, recapitalization or similar transaction, which results in one Person, other than with a Fairfax Company or Phelan Group Shareholder or any combination of the two, together with any Related Entities of such Person, acquiring beneficial ownership, directly or indirectly, or exercising direction or control, over more than 50% of the combined voting power attached to all of the Company’s outstanding Securities;
 - ii. a sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of transactions (related or otherwise), of all or substantially all of the assets of the Company except where such sale, lease, transfer or other disposition is to a Related Entity of the Company or to a Fairfax Company or a Phelan Group Shareholder including a partnership or other entity connected to a royalty trust structure connected to the Company;
 - iii. the adoption by the Company of a plan of liquidation providing for the distribution of all or substantially all of the Company’s assets; or
 - iv. any event specified from time to time by the Board;

provided however, unless otherwise determined by the Board, that any one or more of the following events shall not constitute a Liquidity Event: (i) an amalgamation or consolidation of the Company with or into a Related Entity of the Company or with or into a Fairfax Company or a Phelan Group Shareholder; (ii) a transaction undertaken solely for the purpose of changing the Company’s place of domicile or jurisdiction of incorporation; (iii) a change of control by virtue of any other transaction with a Fairfax Company or a Phelan Group Shareholder; or (iv) a change of control by virtue of Phelan Group Shareholders completing a transaction with a Phelan Group Shareholders company;

- (p) **“Multiple Voting Shares”** means the multiple voting shares in the capital of the Company;
- (q) **“Participant”** means an Eligible Participant who is participating in the Plan in accordance with Section 3.3 or has received a discretionary grant of PSUs in accordance with Section 4.5;
- (r) **“Performance Conditions”** means at the time a grant of PSUs is made, the Board may, in its sole discretion, establish such performance conditions necessary to earn and subsequent vesting of PSUs and such conditions shall be described in the PSU Grant Notice;

- (s) “**Person**” includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, limited liability company, and a natural person in his or her capacity as trustee, executor, administrator or other legal representative;
- (t) “**Phelan Group Shareholders**” means Cara Holdings Limited and its Related Entities, together with the Related Entities of Gail Regan, Rosemary Phelan and Holiday Phelan-Johnson, and their respective permitted assigns;
- (u) “**Plan**” means this Performance Share Unit Plan as set out herein and as amended from time to time in accordance with the provisions hereof;
- (v) “**Plan Administrator**” means the Board or such other person or committee to whom the Board may have delegated the administration and operation of this Plan pursuant to Section 3.2;
- (w) “**Performance Share Unit**” or “**PSU**” means a unit equivalent in value to a Subordinate Voting Share, credited by means of a bookkeeping entry in the books of the Company;
- (x) “**Related Entity**” means, with respect to any Person, an entity that Controls, is Controlled by, or is under common Control with, that Person;
- (y) “**Retirement**” means retirement from active employment with the Company or a Related Entity of the Company at or after age sixty (60) provided that such employee (i) has given at least one hundred and twenty (120) days prior written notice of resignation to the CEO of the Company, (ii) is retiring in good standing with the Company, (iii) shall not work for a competitor of the Company for a period of two (2) years following the effective date of retirement from the Company, (iv) shall not obtain alternate full time employment for a period of two (2) years following the effective date of retirement from the Company (it being understood that consulting, advisory and board work will be permitted, other than to a competitor of the Company), and (v) the Plan Administrator has approved such retirement, at its discretion;
- (z) “**PSU Grant Notice**” means a notice of grant, substantially in the form attached as Schedule A, subject to any amendments or additions as may, in the discretion of the Board, be necessary or advisable, evidencing the PSUs granted and the corresponding terms and conditions under this Plan, and as signed by any one of the CEO, CFO and General Counsel on behalf of the Company;
- (aa) “**PSU Shares**” means Subordinate Voting Shares that will be issued by the Company upon the exercise of outstanding PSUs;
- (bb) “**Shares**” means, collectively, the issued and outstanding Subordinate Voting Shares and Multiple Voting Shares, and includes (i) any shares or securities into which Shares may be converted or changed or which result from a consolidation, subdivision, reclassification or redesignation of Shares, and (ii) any shares or securities which may be received by the parties hereto or bound hereby as a result of an amalgamation, merger, arrangement or other reorganization of or including the Company;
- (cc) “**Subordinate Voting Shares**” means the subordinate voting shares in the capital of the Company;
- (dd) “**Termination Date**” means:
 - i. in the case of an Employee Participant whose employment with the Company or a Related Entity of the Company terminates in the circumstances set out in Section 4.8(b) or Section 4.8(c), the date that is the last day of active employment (taking into account any statutory notice period that is applicable to the Participant provided such statutory notice period is required by applicable employment standards legislation to be factored into the determination of the Termination Date (for greater certainty, such determination shall not include any period of post termination salary continuance beyond the applicable statutory notice period)), provided that in the case of termination of employment by voluntary resignation by the Participant, such date shall not be earlier than the date notice of resignation was given, and for greater certainty “**Termination Date**” specifically does not mean the

date on which any period of reasonable notice that the Company or the Related Entity of the Company (as the case may be) may be required at law to provide to the Participant expires;

- ii. in the case of an Employee Participant whose employment with the Company or a Related Entity of the Company ceases due to death or Disability, the date that is the date upon which such death or Disability has occurred (the date of which shall be as determined by the Board or as the Board may be delegate);
- iii. in the case of an Employee Participant whose employment with the Company or a Related Entity of the Company ceases due to Retirement, the date as determined by the Plan Administrator;
- iv. in the case of a Director who ceases to hold office in the circumstances set out in Section 4.8(f) or Section 4.8(g), the date upon which the Participant ceases to hold office; or
- v. in the case of a Director who is also an Employee Participant at the time of the applicable Date of Grant, the termination date shall be the date that is the later of the applicable termination dates set forth in: (a) subparagraph 2.1(ee)(i) above; and (b) subparagraph 2.1(ee)(iv) above.

2.2 Interpretation

- (a) This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- (b) Whenever the Board is to exercise discretion in the administration of the terms and conditions of this Plan, the term “discretion” means the sole and absolute discretion of the Plan Administrator.
- (c) As used herein, the terms “**Article**”, “**Section**” and “**Schedule**” mean and refer to the specified Article, Section and Schedule of this Plan, respectively.
- (d) Where the word “**including**” or “**includes**” is used in this Plan, it means “including (or includes) without limitation”.
- (e) Words importing the singular include the plural and vice versa and words importing any gender include any other gender.
- (f) Whenever any payment is to be made or action is to be taken on a day which is not a Business Day, such payment shall be made or such action shall be taken on the next following Business Day.
- (g) Unless otherwise specified, all references to money amounts are to Canadian currency.

ARTICLE 3 ADMINISTRATION OF THE PLAN

3.1 Administration

Subject to Section 3.2, this Plan will be administered by the Board and the Board has sole and complete authority, in its discretion, to:

- (a) determine the individuals (from among the Participants) to whom PSUs may be granted;
- (b) grant PSUs in such amounts and, subject to the provisions of this Plan, on such terms and conditions as it determines, including any applicable limitations, restrictions, vesting period and conditions;
- (c) interpret this Plan and adopt, amend, prescribe and rescind administrative guidelines and other rules and regulations relating to this Plan; and
- (d) exercise rights reserved to the Company under the Plan;

- (e) prescribe forms for notices to be prescribed by the Company under this Plan; and
- (f) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

The Board's determinations and actions within its authority under this Plan are conclusive and binding on the Company, the Participant and all other Persons.

3.2 Delegation of Plan Administration

- (a) The initial Plan Administrator shall be the Board. The day-to-day administration and operation of this Plan may be delegated to such officers and employees of the Company as the Board determines, which delegation may be revoked by the Board at any time in its sole discretion.
- (b) No member of the Board or any person acting pursuant to authority delegated by the Board under this Plan shall be liable for any action or determination in connection with the Plan made or taken in good faith, and each member of the Board and each such person shall be entitled to indemnification by the Company with respect to any such action or determination

3.3 Eligibility

Any individual who at the relevant time is an Eligible Participant is eligible to participate in the Plan. Eligibility to participate or prior year's participation does not confer upon any individual a right to receive an award of Performance Share Units pursuant to the Plan. The extent to which any Participants are entitled to be granted PSUs pursuant to this Plan will be determined in the discretion of the Plan Administrator. By accepting the grant of PSUs under this Plan the Participant agrees to be bound by all the terms and conditions of the Plan.

3.4 Total Subordinate Voting Shares Subject to PSUs

- (a) The aggregate number of Subordinate Voting Shares that may be issued pursuant to all security-based compensation arrangements of the Company, shall be a maximum of fifteen percent (15%) of the issued and outstanding Shares from time to time. No PSUs may be granted if such grant would have the effect of causing the total number of Subordinate Voting Shares subject to PSUs (including all other security-based compensation arrangements of the Company, collectively), to exceed the above-noted total number of Subordinate Voting Shares reserved for issuance pursuant to the exercise of PSUs.
- (b) All Subordinate Voting Shares issued pursuant to the exercise of PSUs (including all other security-based compensation arrangements of the Company, collectively) and all Subordinate Voting Shares reserved for issuance pursuant to PSUs (including all other security-based compensation arrangements of the Company, collectively) which are cancelled or terminated without having been exercised shall be again available for issuance pursuant to PSUs granted under this Plan.

3.5 PSU Grant Notice

All grants of PSUs under this Plan will be evidenced by a PSU Grant Notice. Such PSU Grant Notices will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Plan Administrator may direct. The Plan Administrator shall authorize and empower any director or the CEO, CFO or General Counsel of the Company to execute and deliver, for and on behalf of the Company, an PSU Grant Notice to each Participant.

3.6 Non-Transferability

Subject to Section 4.6, Section 4.7 (as it relates to Death and Disability) and the rules and policies of any stock exchange on which the Subordinate Voting Shares are listed, if applicable, and applicable law, PSUs granted under this Plan may only be exercised during the lifetime of the Participant by such Participant personally. No assignment or transfer of PSUs, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such PSUs whatsoever in any assignee or transferee and immediately upon any assignment or transfer, or any attempt to make the same, such PSUs will terminate and be of no further force or effect.

ARTICLE 4 PERFORMANCE SHARE UNITS

4.1 Grant of Performance Share Units

The Plan Administrator may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Plan Administrator may prescribe, grant PSUs to any Participant as reflected in the applicable Participant's PSU Grant Notice.

4.2 Term of PSUs

Subject to any accelerated termination as set forth in this Plan, each PSU, unless otherwise specified by the Plan Administrator, expires ten (10) years from the Date of Grant. Notwithstanding the foregoing, if any PSUs would otherwise expire during a Blackout Period, the term of such PSUs shall automatically be extended until ten (10) Business Days after the end of the Blackout Period.

4.3 Performance Conditions

The Board may use such business criteria and other measures of performance as it may deem appropriate in establishing any Performance Conditions to earn applicable PSUs. The Board may determine that in addition to requiring the earning of any one or more Performance Conditions the Employee Participant must still be employed by the Company at the end of the applicable vesting period (as described in the PSU Grant Notice), before any PSUs may be deemed vested, in whole or in part. Performance Conditions and vesting periods may differ for Performance Share Units granted to any one Participant or to different Participants, including different Performance Conditions and/or vesting periods and different annual grants for different PSU grants to the same Participant.

4.4 Exercise Period and Vesting

- (a) Unless otherwise specified by the Plan Administrator at the time of granting a PSU and except as otherwise provided in this Plan (including any requirement to earn Performance Conditions):
 - i. Vesting: each earned PSU will vest on the fifth (5th) anniversary of the Date of Grant unless vesting is accelerated as provided for in this Plan; and
 - ii. Exercise Period: each vested PSU shall be exercisable from the fifth (5th) anniversary of the Date of Grant, until the tenth (10th) anniversary of the Date of Grant unless otherwise provided for in this Plan.
- (b) Once a PSU becomes vested, it shall remain vested and shall be exercisable until expiration or termination of the PSU, unless otherwise specified by the Plan Administrator. Each PSU may be exercised at any time or from time to time, in whole or in part, for up to the total number of PSU Shares with respect to which it is then exercisable.
- (c) Subject to the provisions of this Plan and any PSU Grant Notice, PSUs shall be exercised by means of a fully completed Exercise Notice delivered to the Company.

4.5 Discretionary Grants

In addition to the grant of Performance Share Units as contemplated by Section 4.1, the Board may, from time to time, subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant additional Performance Share Units to any Participant on a discretionary basis (with or without Performance Conditions). A discretionary grant of Performance Share Units for a calendar year to a Participant shall be evidenced by a PSU Grant Notice. The Board may, in its sole discretion, designate a vesting schedule or terms and conditions applicable to any such PSU Grant Notice.

4.6 Settlement of Vested and Exercisable PSUs and Payment of Applicable Withholding Amount

Unless otherwise specified by the Plan Administrator at the time of granting a PSU, for the Participant to exercise and settle vested PSUs, the Participant must submit a completed Exercise Notice indicating the Participant's settlement election for vested and exercisable PSUs:

- (a) whereby the Participant elects on the Exercise Notice to receive an amount in cash per PSU equal to the cash proceeds realized upon the sale of the Subordinate Voting Shares (subject to market conditions for such sale) by a securities dealer in the capital markets, less the Applicable Withholding Amount;
- (b) whereby the Participant elects on the Exercise Notice to receive an aggregate number of Subordinate Voting Shares that is equal to the number of PSUs underlying the PSU Grant Notice minus the number of Subordinate Voting Shares sold by a securities dealer (subject to market conditions for such sale) in the capital markets as required to realize cash proceeds equal to the Applicable Withholding Amount; or
- (c) whereby the Participant elects on the Exercise Notice to receive the number of Subordinate Voting Shares that is equal to the number of PSUs underlying the PSU Grant Notice and the Participant shall be responsible for paying in cash, or by certified cheque, bank draft or money order payable to the Company an amount equal to the Applicable Withholding Amount.

For certainty, the Applicable Withholding Amount must be fully paid by the Participant to the Company at the time of settlement (by such means as noted in 4.6 (a), (b) and (c) above or as might be specified from time to time by the Company). The transfer cost charged by the securities dealer to sell the Subordinate Voting Shares shall also be the responsibility of the Participant and accordingly, such amount may be deducted by the securities dealer from the net proceeds payable to the Participant.

No Subordinate Voting Shares will be issued or transferred until full payment therefor has been received by the Company and the Participant has signed any applicable documents as determined by the Company acting reasonably. If, as and when any Subordinate Voting Shares have been duly issued upon the exercise of a PSU and in accordance with the terms of such PSU and this Plan and any regulations made hereunder, such Subordinate Voting Shares shall be conclusively deemed allotted as fully paid and non-assessable.

4.7 Retirement, Death or Disability of Participant

Subject to Section 4.9 or unless otherwise specified by the Plan Administrator at the time of granting an PSU, if a Participant dies or becomes Disabled while an employee or director of the Company or a Related Entity of the Company or if the employment or term of office of the Participant with the Company or a Related Entity of the Company terminates due to Retirement:

- (a) the executor or administrator of the Participant's estate or the Participant, as the case may be, may exercise any PSUs of the Participant to the extent that the PSUs have vested as at the date of such death, Disability or Retirement and the right to exercise such PSUs terminates on the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; (ii) the date that is one hundred and eighty (180) days after the Participant's death or Disability; or (iii) the date that is two (2) years after the Participant's Retirement;
- (b) PSUs that have earned the applicable Performance Conditions but have not vested by the applicable Termination Date will accelerate and vest on a pro-rata basis, up to the applicable Termination Date, and the Participant may follow the steps set forth in Section 4.6 and this Section 4.7 (as applicable) to settle the vested PSUs; and

the Participant's eligibility to receive further grants of PSUs under this Plan ceases as of the date of the Participant's death, Disability or Retirement, as the case may be.

4.8 Termination of Employment or Services

Subject to Section 4.9, or unless otherwise specified by the Plan Administrator at the time of granting a PSU:

- (a) Where, in the case of an Employee Participant, such employment with the Company or a Related Entity of the Company ceases by reason of the Participant's death, Disability or Retirement, then the provisions of Section 4.7 will apply.

- (b) Where, in the case of an Employee Participant, such employment is terminated by the Company or a Related Entity of the Company without cause (whether such termination occurs with or without any or adequate reasonable notice, or with or without any or adequate compensation in lieu of such reasonable notice), then any PSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is ninety (90) days after the Termination Date. Any PSUs held by the Participant that have not vested as at the Termination Date immediately expire and are cancelled on the Termination Date.
- (c) Where, in the case of an Employee Participant, such employment terminates by reason of: (i) termination by the Company or a Related Entity of the Company for cause; or (ii) voluntary resignation by the Participant, then any PSUs held by the Participant, that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
- (d) Where, in the case of an Employee Participant, such employment terminates by reason of voluntary resignation by the Employee Participant, then the PSUs held by the Employee Participant that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is ninety (90) days after the Termination Date.
- (e) Where, in the case of an Employee Participant, such employment terminates by reason of termination by the Company or a Related Entity of the Company for cause then any PSUs held by the Employee Participant, that have vested as at the Termination Date shall be exercisable by the Employee Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is ninety (90) days after the Termination Date, provided the Employee Participant's termination is not due to criminal act (as determined by the Plan Administrator in its sole discretion), in which case the Employee Participant's right to exercise shall not apply and the vested PSUs shall immediately expire and be cancelled on the Termination Date.
- (f) Where, in the case of a Director, a Participant ceases to hold office by reason of (i) removal by the shareholders of the Company or of the Related Entity of the Company, as the case may be, or (ii) voluntary resignation by the Participant, then any PSUs held by the Participant that have vested as at the Termination Date shall be exercisable by the Participant until the earlier of: (i) the date on which the Exercise Period of the particular PSU expires; or (ii) the date that is sixty (60) days after the Termination Date. Any PSUs held by the Participant that have not vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
- (g) Notwithstanding Section 4.8(f), where, in the case of a Director, a Participant ceases to hold office and it was determined by the Plan Administrator (in its sole discretion) that such Director committed a criminal act then any PSUs held by the Participant, whether or not they have vested as at the Termination Date, immediately expire and are cancelled on the Termination Date.
- (h) A Participant's eligibility to receive further grants of PSUs under this Plan ceases as of the date that the Company or a Related Entity of the Company, as the case may be, provides the Participant with written notification that the Participant's employment is terminated, notwithstanding that such date may be prior to the Termination Date.
- (i) Notwithstanding Sections 4.8(b) and 4.8(f), unless the Plan Administrator, in its discretion, otherwise determines, at any time and from time to time, PSUs are not affected by a change of employment or service within or among the Company or a Related Entity of the Company for so long as the Employee Participant continues to be an employee of the Company or for so long as the Director continues to be a director or officer of the Company.

4.9 Discretion to Permit Exercise

Notwithstanding the provisions of Sections 4.7 and 4.8, the Plan Administrator may, in its discretion, at any time prior to or following the events contemplated in such sections, permit the exercise of any or all PSUs held by the Participant in the manner and on the terms authorized by the Plan Administrator, provided that the Plan Administrator will not, in any case,

authorize the exercise of an PSU pursuant to this Section 4.9 beyond the expiration of the Exercise Period of the particular PSU.

4.10 Liquidity Event

Notwithstanding anything else in this Plan or any PSU Grant, in the case of a Liquidity Event all granted and unvested PSUs that have earned the applicable Performance Conditions shall vest on an accelerated basis.

4.11 Dividends

For certainty, although dividends may be declared and paid on Subordinate Voting Shares, additional PSUs shall not be credited to the Participant's PSU account if any dividends are declared/paid.

ARTICLE 5 SHARE CAPITAL ADJUSTMENTS

5.1 Share Capital Adjustments

If there is any change in the outstanding Subordinate Voting Shares by reason of any stock dividend or split, or in connection with a reclassification, reorganization, consolidation, distribution, merger or amalgamation or other change of Subordinate Voting Shares, the Board shall make, the appropriate substitution or adjustment in order to maintain the Participants' economic rights in respect of their PSUs in connection with such change, including without limitation adjustments to the number of PSUs recorded in the Participant's notional account.

5.2 Compliance with Laws

The administration of the Plan shall be subject to and made in conformity with all applicable laws and any applicable regulations of a duly constituted regulatory authority. Should the Board, in its sole discretion, determine that it is not feasible or desirable to honour an election in favour of Performance Share Units due to such laws or regulations, the Company's obligation shall be satisfied by means of an equivalent cash payment (equivalence being determined on a before-tax basis). For greater certainty, the Board may adopt such rules or regulations and vary the terms of this Plan and any grant of PSUs as it considers necessary to address tax or other requirements of any applicable non-Canadian jurisdiction.

5.3 Reorganization of the Company

The existence of any Performance Share Units does not affect in any way the right or power of the Company or its shareholders to make, authorize or determine any adjustment, recapitalization, reorganization or any other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company, to create or issue any bonds, debentures, Shares or other securities of the Company or to determine the rights and conditions attaching thereto, to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or to effect any other corporate act or proceeding, whether of a similar character or otherwise, whether or not any such action referred to in this section would have an adverse effect on this Plan or any Performance Share Units granted hereunder.

5.4 Immediate Exercise of Awards

Where the Plan Administrator determines that the steps provided in Sections 5.1 and 5.3 would not preserve proportionately the rights and obligations of the Participant in the circumstances or otherwise determines that it is appropriate, the Plan Administrator may permit the immediate vesting and/or exercise, effective no later than the Business Day immediately prior to the date on which the event referenced in Section 5.1 or 5.3 is consummated, of any outstanding PSUs that are not otherwise vested and/or exercisable, and the cancellation of any outstanding PSUs which are not exercised within any specified period.

5.5 Assignment

Rights and obligations under the Plan may be assigned by the Company to a successor in the business of the Company, any Company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any Company acquiring all or substantially all of the assets or business of the Company.

5.6 Units Non-Transferable

Performance Share Units are non-transferable. Certificates representing Performance Share Units will not be issued by the Company.

5.7 Additional Rights

The participation of any Participant in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Participant any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in this Plan does not constitute a condition of employment or service nor a commitment on the part of the Company to ensure the continued employment or service of such Participant. This Plan does not provide any guarantee against any loss which may result from fluctuations in the market value of the Subordinate Voting Shares. The Company does not assume responsibility for the personal income or other tax consequences for the Participants and they are advised to consult with their own tax advisors.

5.8 No Shareholder Rights

Under no circumstances shall Performance Share Units be considered Shares or other securities of the Company, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Company, nor shall any Participant be considered the owner of Shares by virtue of the award of Performance Share Units.

5.9 Amendments and Termination

- (a) The Board may amend, suspend or terminate this Plan, or any portion thereof, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange), if any, that require the approval of security holders or any governmental or regulatory body. However, except as expressly set forth herein, no action of the Board or security holders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any PSUs previously granted to the Participant. Without limiting the generality of the foregoing, the Board may make the following types of amendments to this Plan without seeking security holder approval:
 - i. amendments of a “housekeeping” or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
 - ii. amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange);
 - iii. amendments necessary for grants to qualify for favourable treatment under applicable tax laws;
 - iv. any amendment to the vesting provisions of this Plan or any PSU, provided such amendment does not entail an extension beyond the expiry of the Exercise Period;
 - v. any amendment to the termination or early termination provisions of this Plan or any PSU; and
 - vi. amendments necessary to suspend or terminate this Plan.
- (b) Security holder approval will be required for the following types of amendments:
 - i. amendments to the number of Subordinate Voting Shares issuable under this Plan, including an increase to a fixed maximum percentage of Subordinate Voting Shares or a

change from a fixed maximum percentage of Subordinate Voting Shares to a fixed maximum number;

- ii. any amendment to this Plan that increases the length of the period after a Blackout Period during which PSUs may be exercised;
- iii. any amendment extending the term of an PSU held by an insider beyond the expiry of its Exercise Period, except as provided in Section 4.2;
- iv. any amendment to the amendment provisions granting additional powers to the Board to amend this Plan without security holder approval;
- v. any amendment which would allow for the transfer or assignment of PSUs under this Plan, other than for normal estate settlement purposes; and
- vi. amendments required to be approved by security holders under applicable law (including the rules, regulations and policies of the Toronto Stock Exchange).

5.10 Unfunded and Unsecured Plan

This Plan shall be unfunded and the Company will not secure its obligations under this Plan. To the extent any Participant or his or her estate holds any rights by virtue of a grant of PSUs under this Plan, such rights shall be no greater than the rights of an unsecured creditor of the Company.

5.11 Non-Exclusivity

Nothing contained in this Plan prevents the Company from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or shareholder approval.

5.12 Corporate Action

Nothing contained in this Plan or in an PSU shall be construed so as to prevent the Company from taking corporate action which is deemed by the Company to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or any PSU, including, with respect to a PSU previously granted.

5.13 Notices

All written notices to be given by the Participant to the Company shall be delivered personally or by registered mail, postage prepaid, addressed as follows:

Recipe Unlimited Corporation
199 Four Valley Drive
Vaughan, ON L4K 0B8

Attention: Vice President, General Counsel
Facsimile: 1 866 707 1268

Any notice given by the Participant pursuant to the terms of an PSU shall not be effective until actually received by the Company at the above address.

5.14 Governing Law

This Plan is created under and is to be governed, construed and administered in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

[Schedules to the Plan follow this page.]

SCHEDULE A

PERFORMANCE SHARE UNIT PLAN

FORM OF PSU GRANT NOTICE

Recipe Unlimited Corporation (the “**Company**”) hereby grants the following award to the Participant named below in accordance with and subject to the terms, conditions and restrictions of this PSU Grant Notice (“**Notice**”), together with the provisions of the Performance Share Unit Plan of the Company (the “**Plan**”) dated August 9, 2018:

- a. **Name and Address of Participant:** _____
- b. **Type of Participant:** [Employee Participant/Director]
- c. **Date of Grant:** _____
- d. **Total Number of Granted PSUs, if minimum three (3) year performance targets have been achieved (as detailed in Exhibit A):** _____
- e. **Total Number of Granted PSUs, if maximum three (3) year performance targets have been achieved (as detailed in Exhibit A):** _____
- f. **Performance Conditions:** the following performance conditions must be satisfied before any PSUs may be subject to vesting and exercise:

Subject to the terms of the Plan, if:

- i. the minimum three (3) year performance targets, as detailed in Exhibit A to this PSU Grant Notice, have been achieved, then the minimum performance conditions will be satisfied and consequently the total number of PSUs granted in (c) above will be subject to vesting and exercise; or
- ii. the maximum three (3) year performance targets, as detailed in Exhibit A to this PSU Grant Notice, have been achieved, then the maximum performance conditions will be satisfied and consequently double the total number of PSUs granted in (d) above will be subject to vesting and exercise.

For certainty, only one of (d) and (e) above may vest and become exercisable, subject to achieving the applicable Performance Conditions, as detailed above and in Exhibit A to this Notice.

- g. **Vesting Period:** Subject to the terms of the Plan and subject to earning the Performance Conditions, each PSU will vest on the fifth (5th) anniversary of the Date of Grant.
 - h. **Exercise Period:** Subject to the terms of the Plan and subject to earning the Performance Conditions, the Exercise Period shall be from the fifth (5th) anniversary of the Date of Grant, until the tenth (10th) anniversary of the Date of Grant unless otherwise provided for in the Plan.
1. The terms and conditions of the Plan are hereby incorporated by reference as terms and conditions of this Notice and all capitalized terms used herein, unless expressly defined in a different manner, have the meanings ascribed thereto in the Plan.
 2. Subject to Sections 4.10 (Liquidity Event) and 5.4 (Immediate Exercise of Awards) of the Plan and unless otherwise determined by the Plan Administrator at the time of granting a PSU, each PSU is exercisable as set forth in Section 4.4 of the Plan.
 3. In no event are the PSUs granted hereunder exercisable after the expiration of the relevant Exercise Period.
 4. No fractional Subordinate Voting Shares will be issued on the exercise of the PSUs granted hereunder. If, as a result of any adjustment to the number of Subordinate Voting Shares issuable on the exercise of the PSUs granted

hereunder pursuant to the Plan, the Participant would be entitled to receive a fractional Subordinate Voting Share, the Participant has the right to acquire only the adjusted number of full Subordinate Voting Shares and no payment or other adjustment will be made with respect to the fractional Subordinate Voting Shares so disregarded.

5. Nothing in the Plan or in this Notice will affect the right of the Company or any Related Entity to terminate the employment of any Eligible Participant at any time for any reason whatsoever. Upon such termination, the Participant's rights to exercise PSUs will be subject to restrictions and time limits for the exercise of PSUs. Complete details of such restrictions are set out in the Plan (in particular Sections 4.7 and 4.8).
6. All notices to the Company must be delivered personally or by prepaid registered mail and must be addressed as follows:

199 Four Valley Drive
Vaughan, ON
L4K 0B8

Attention: Vice President, General Counsel
Facsimile: 1 866 707 1268

All notices to the Participant (if given in writing) will be addressed to the principal address of the Participant on file with the Company. Either the Company or the Participant may designate a different address by written notice to the other. Any notice given by either the Participant or the Company is not binding on the applicable recipient until received.

7. The Company is not obligated to grant any PSUs, issue any Subordinate Voting Shares or other securities, make any payments or take any other action if, in the opinion of the Plan Administrator, in its sole discretion, such action would constitute a violation by an Participant or the Company of any provision of any applicable statutory or regulatory enactment of any government or government agency for so long as such violation remains outstanding.
8. Subject to Section 4.7 of the Plan, the PSUs granted pursuant to this PSU Grant Notice may only be exercised during the lifetime of the Participant by the Participant personally and, subject to Section 3.6 of the Plan, no assignment or transfer of the PSUs, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such PSUs whatsoever in any assignee or transferee, and immediately upon any assignment or transfer or any attempt to make such assignment or transfer, the PSUs granted hereunder terminate and are of no further force or effect. Complete details of this restriction are set out in the Plan.
9. The Participant hereby agrees that:
 - (a) any rule, regulation or determination, including the interpretation by the Plan Administrator, the PSUs granted hereunder and the exercise thereof, is final and conclusive for all purposes and binding on all Persons including the Company and the Participant;
 - (b) the grant of PSUs does not affect in any way the right of the Company or any Related Entity of the Company to terminate the employment or service of the Participant; and
 - (c) the Participant will not tender to the Company or its agent in any normal course issuer bid undertaken by the Company any Subordinate Voting Shares received (i) upon the exercise of PSUs hereunder, or (ii) pursuant to any of the Company's security-based compensation arrangements (including pursuant to grants or issuances prior to the date of this PSU Grant Notice).
10. The Participant hereby agrees that notwithstanding any provision in the Plan or this PSU Grant Notice to the contrary, if the Plan Administrator determines that the Participant has violated any of the covenants set forth in Exhibit B attached to this PSU Grant Notice:
 - (a) any unexercised PSUs held by the Participant (whether vested or unvested) shall immediately terminate and be forfeited; and

(b) the Company or its designee may, upon written notice to the Participant, repurchase any Subordinate Voting Shares purchased upon the exercise of the PSUs at any time at a price equal to the lower of (i) the amount paid by the Participant for them, and (ii) the then-current Fair Market Value.

11. This PSU Grant Notice has been made in and is to be construed under and in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein

RECIPE UNLIMITED CORPORATION

By: _____

Name:

Title:

EXHIBIT A
PERFORMANCE TARGETS

1. The minimum three (3) year performance targets shall be as follows (the “**Minimum Performance Targets**”):
 - a. [insert details of performance targets].
2. If Maximum Performance Targets are achieved, the number of PSUs earned will be two (2) times the number of granted PSUs that apply if Minimum Performance Targets are achieved (as detailed in subparagraphs (d) and (e) of the PSU Grant Notice). The maximum three (3) year performance targets shall be as follows (the “**Maximum Performance Targets**”):
 - a. [insert details of performance targets].
3. The Participant may earn a pro-rata number of PSUs if the Participant has achieved more than the Minimum Performance Targets but less than the Maximum Performance Targets. Such pro-rata calculation shall be a linear calculation between one hundred percent (100%) and two hundred percent (200%) and corresponding to the range between the Minimum Performance Targets and the Maximum Performance Targets.
4. The Minimum Performance Targets, the Maximum Performance Targets and any corresponding pro-rata calculation shall collectively be referred to as the “**Performance Targets**”. The Performance Targets may be determined by the Board either at the time of issuing the final PSU Grant Notice or after issuing the PSU Grant Notice. If the Performance Targets are determined by the Board after issuing the PSU Grant Notice, such Performance Targets shall be final and binding on the Participant.

SCHEDULE B

EXERCISE NOTICE

I, _____, hereby exercise the vested PSUs in Recipe Unlimited Corporation (the “**Company**”). This Exercise Notice is delivered in respect of the PSUs which convert to Subordinate Voting Shares of the Company that was granted to me on _____ pursuant to the PSU Grant Notice entered into between the Company and me under the Performance Share Unit Plan (the “**Plan**”). In connection with the foregoing:

(tick one)

- I hereby elect to receive an amount in cash per PSU equal to the cash proceeds realized upon the sale of the Subordinate Voting Shares (subject to market conditions for such sale) by a securities dealer in the capital markets, less the Applicable Withholding Amount;
- I hereby elect to receive an aggregate number of Subordinate Voting Shares that is equal to the number of PSUs underlying the PSU Grant Notice minus the number of Subordinate Voting Shares sold by a securities dealer (subject to market conditions for such sale) in the capital markets as required to realize cash proceeds equal to the Applicable Withholding Amount; or
- I hereby elect to receive the number of Subordinate Voting Shares that is equal to the number of PSUs underlying the PSU Grant Notice and the Participant shall be responsible for paying in cash, or by certified cheque, bank draft or money order payable to the Company an amount equal to the Applicable Withholding Amount.

Capitalized terms used but not otherwise defined in this Exercise Notice shall have the meaning given in the Plan.

Date

Participant’s Signature

EXHIBIT B
LONG-TERM CONSIDERATION FOR PSUs

By accepting the PSU grant reflected in the PSU Grant Notice, the Participant agrees to observe the following covenants and agrees to the sanctions described in the Performance Share Unit Plan dated August 9, 2018 (the “**Plan**”) in the event that the Company determines that the Participant has breached the following covenants:

1. Confidentiality

The Participant agrees that, by virtue of the performance of the normal duties associated with the Participant’s position or relationship with the Company or one of its Related Entities and by virtue of the relationship of trust and confidence between the Participant and the Company or one of its Related Entities, the Participant possesses and will possess certain data and knowledge of operations of the Company and/or its Related Entities which are confidential and proprietary in nature. The Participant covenants and agrees that the Participant will not, at any time, whether during the term of this Plan or otherwise, reveal, divulge or make known to any person or use for the Participant’s own account, any confidential or proprietary record, data, trade secret, pricing policy, bid amount, bid strategy, rate structure, personnel policy, method or practice of obtaining or doing business by the Company or any of its Related Entities, or any other confidential or proprietary information whatsoever (the “**Confidential Information**”), whether or not obtained with the knowledge and permission of the Company or one of its Related Entities and whether or not developed, devised or otherwise created in whole or in part by the Participant’s efforts. The Participant further covenants and agrees that the Participant shall retain all such knowledge and information acquired or developed in respect of such Confidential Information in trust for the sole benefit of the Company, its Related Entities and its successors and assigns. The Participant shall not, without the prior written consent of the Company, unless compelled pursuant to the order of a court or other governmental or legal body having jurisdiction over such matter, communicate or divulge any such Confidential Information to anyone other than the Company and those designated by it. In the event that the Participant is compelled by order of a court or other governmental or legal body to communicate or divulge any Confidential Information to anyone other than the Company and those designated by it, the Participant shall promptly notify the General Counsel or Chief Financial Officer of the Company of any such order and shall cooperate fully with the Company (and the owner of such Confidential Information) in protecting such information to the extent possible under applicable law.

2. Intellectual Property

The Participant covenants and agrees that:

- (a) all worldwide rights, title and interest in any and all advances, computer programs, concepts, compositions, data, database technologies, designs, discoveries, domain names, drawings, formulae, ideas, improvements, integrated circuit typographies, inventions, know-how, mask works, sketches, software, practices, processes, research materials, trade-secrets, work methods, patents, trade-marks, copyright works and any other intellectual property (whether registrable or not) produced, made, composed, written, performed, or designed by the Participant, either alone or jointly with others, in the course of the Participant’s employment or service with the Company or one of its Related Entities and in any way relating to the business of the Company or one of its Related Entities (the “**Intellectual Property**”), shall vest in and be the exclusive property of the Company;
- (b) both during the term of this Agreement and following termination of employment or service with the Company or one of its Related Entities, the Participant will fully and promptly disclose to the Company, complete details of any Intellectual Property right arising in connection with the Participant’s employment or service, with the intention that the Company shall have full knowledge and ownership of the working and practical applications of such right;
- (c) at the expense of the Company, the Participant will co-operate in executing all necessary deeds and documents and shall co-operate in all other such acts and things as the Company may reasonably require in order to vest such Intellectual Property rights in the name of the Company;
- (d) the Participant hereby waives any and all author’s, moral, and proprietary rights that the Participant may now or in the future have in any Intellectual Property developed in the course of the Participant’s employment or service with the Company or one of its Related Entities; and
- (e) the Company shall have the sole and exclusive ownership of and right of control over any and all business, customers, and goodwill created or developed by the Participant in the course of the Participant’s employment or service with the Company or one of its Related Entities, including all information, records, and documents concerning business and

customer accounts and all other instruments, documents, records, data, and information concerning or relating to the Company's business activities, interests and pursuits.

3. Non-Solicitation

The Participant covenants and agrees that the Participant will not, without the prior written consent of the board of directors of the Company, while remaining an Participant and/or holder of Subordinate Voting Shares and for the later of: (i) the non-solicitation period set out in the Participant's employment agreement, if any, and (ii) a period of twelve (12) months following the later of the last day that the Participant remains an Participant or holder of Subordinate Voting Shares (collectively the "**Restricted Period**"), directly or indirectly, for whatever reason, whether for the Participant's own benefit or for the benefit of any other person, firm, company or other organization with which the Participant has a relationship:

(a) solicit for employment, employ, or otherwise deal with in a manner which interferes with the relationship of the Company or any of its Related Entities with any person who is an employee of the Company or any of its Related Entities (an "**Employee**") during the Participant's employment with or service to the Company and during the Restricted Period, unless such Employee (i) shall no longer be actively employed or engaged by the Company or any of its Related Entities or (ii) without the direction of the Participant, responded to a public advertisement soliciting employment.

RECIPE

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