



**PARK LAWN CORPORATION
(THE "CORPORATION")**

MAJORITY VOTING POLICY

This Majority Voting Policy (the "**Policy**") was adopted by the board of directors (the "**Board**") of Corporation on August 25, 2020. This Policy supersedes all prior majority voting policies adopted by the Board.

Each director and proposed nominee for election to the Board will be asked to confirm in writing that they will abide by this Policy each time his or her name is put forward for election by the Board.

The Board believes that each director should carry the confidence and support of the Corporation's shareholders. The Board is committed to fulfilling its mandate to supervise the management of the business and affairs of the Corporation with the highest standards and in the best interests of the shareholders of the Corporation. The Board has, in light of best practice standards in Canada, adopted this statement of policy providing for majority voting in director elections at any meeting of the Corporation's shareholders where an "uncontested election" of directors is held. For the purposes of this Policy, an "**uncontested election**" of directors of the Corporation means an election where the number of nominees for director is equal to the number of directors to be elected.

Pursuant to this Policy, the proxy forms for an uncontested election of directors at a meeting of the Corporation's shareholders will permit a shareholder to vote "for", or to "withhold" from voting for, each director nominee separately. If the number of proxy votes *withheld* for a particular director nominee is greater than the votes *for* such nominee, then for purposes of this Policy the director nominee (the "**Majority Withheld Director**") will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law. The Majority Withheld Director shall be required to promptly submit his or her resignation to the Board following the applicable meeting of the Corporation's shareholders, effective only if and when the Board accepts the resignation. The tender of resignation will be made by delivery of the resignation to the Chair of the Board, or, if the Chair of the Board is not present, to the chair of the meeting of shareholders, who will promptly provide a copy of the tendered resignation to all members of the Board.

Promptly following receipt of a resignation submitted pursuant to this Policy, the Governance and Nominating Committee of the Board (the "**Committee**") shall consider whether or not to accept the offer of resignation and shall recommend to the Board whether or not to accept it. The Committee shall recommend the acceptance by the Board of the tendered resignation absent special circumstances that would warrant the continued service of the Majority Withheld Director on the Board. In determining whether to recommend acceptance or rejection of the tendered resignation, the Committee shall consider all factors it deems relevant, which may include: (i) the Corporation would not be compliant with corporate or securities law

requirements, applicable regulations, stock exchange rules or commercial agreements regarding the composition of the Board as a result of accepting the resignation; (ii) the Majority Withheld Director is a key member of an established, active special committee that has a defined term or mandate (such as a strategic review), and accepting the resignation of the Majority Withheld Director would jeopardize the achievement of the committee's mandate; (iii) majority voting was used for a purpose inconsistent with the policy objectives of the applicable stock exchange related to its majority voting requirement; or (iv) the reasons, if known, why shareholders "withheld" or were requested to "withhold" votes from the director and whether this was done for reasons other than the qualifications or individual actions of the Majority Withheld Director.

Within 90 days following the applicable meeting of the Corporation's shareholders, the Board shall decide whether or not to accept the tendered resignation, on the Committee's recommendation. In considering the Committee's recommendation, the Board will consider the factors considered by the Committee and such additional information and factors that the Board considers to be relevant. The Board shall accept the Majority Withheld Director's resignation, absent special circumstances that would warrant the continued service of the Majority Withheld Director on the Board. Following the Board's decision on the resignation, the Board shall promptly disclose, via press release, its decision whether to accept the Majority Withheld Director's resignation offer including the reasons for rejecting the resignation offer, if applicable. If a resignation is accepted, the Board may, subject to applicable law, on the recommendation of the Committee, appoint a new director to fill any vacancy through the appointment of a new director whom the Board considers to be duly qualified and merit the confidence of shareholders or leave the vacancy unfilled until the next annual general meeting of shareholders.

A Majority Withheld Director who tenders his or her resignation pursuant to this Policy shall not be permitted to participate in any meeting of the Board and/or the Committee at which his or her resignation is to be considered. However, if each member of the Committee is a Majority Withheld Director as a result of the same election, or a sufficient number of the Committee members are Majority Withheld Directors as a result of the same election, such that the Committee no longer has a quorum, then the remaining members of the Committee, if any, shall not consider the resignation offer(s) and the Board shall consider whether or not to accept the offer of resignation without a recommendation from the Committee.

In the event that a sufficient number of Board members are Majority Withheld Directors as a result of the same election, such that the Board no longer has a quorum, then such Majority Withheld Directors shall not be permitted to vote in any meeting of the Board at which his or her resignation offer is considered, however he or she shall be counted for the purpose of determining whether the Board has quorum.

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

The Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this Policy and shall have the sole and complete authority to interpret and apply the Policy.

In the event of a "contested election", where the number of nominees for director exceeds the number of directors to be elected (including where proxy material is circulated in support of one

or more nominees who are not part of the director nominees supported by the Board), subject to applicable law, the voting method to be applied for purposes of electing directors at the meeting will be determined by the chair of the meeting in his or her sole discretion.