



**NOTICE OF ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS AND
MANAGEMENT INFORMATION CIRCULAR**

MARCH 24, 2016

ABOUT UNI-SELECT

Founded in 1968, Uni-Select Inc. is a leader in the distribution of automotive refinish and industrial paint and related products across North America, as well as in the automotive aftermarket parts business in Canada. Its over 2,700 team members, spread across a network of 13 distribution centres and over 235 corporate stores, are dedicated to supplying its customers the right products, at the right place, and when they need them. Uni-Select also offers advanced solutions and first-rate service to enable its customers' success. In the United States, FinishMaster, Inc., a subsidiary of Uni-Select, operates a network of automotive refinish corporate stores from coast to coast under the FinishMaster banner and supports more than 6,000 collision repair centre customers. Uni-Select's Canadian automotive aftermarket parts and automotive refinish business supports a growing national network of more than 1,150 independent customers and corporate stores, several of which operate under Uni-Select store banner programs including Auto Parts Plus®, Auto-Plus® and Bumper to Bumper®. In Canada, Uni-Select supports over 3,900 shops and stores through its automotive repair/installer shop banners and programs including Auto-Select®, Uni-Pro®, and SAX (SelectAutoXpert), as well as through its automotive refinish banner, Carrossier ProColor®.

Uni-Select is headquartered in Boucherville, Québec, Canada, and its shares are traded on the Toronto Stock Exchange (TSX) under the symbol UNS.

HEAD OFFICE

170 Industriel Blvd.
Boucherville, QC J4B 2X3
Tel. 450 641 2440
Fax 450 449 4908
uniselect.com

INVESTOR RELATIONS

Tel. 450 641 6972
Email investorrelations@uniselect.com

MANAGEMENT INFORMATION CIRCULAR SUMMARY

VOTING MATTERS

VOTING MATTERS	BOARD VOTE RECOMMENDATION	PAGE
Election of 10 directors	FOR each nominee	13
Appointment of Raymond Chabot Grant Thornton LLP as auditors	FOR	13
Amendment of Articles of the Corporation	FOR	14

VOTING METHODS

Please refer to the accompanying form of proxy or your voting instruction form or to section 1 titled “Voting and Proxy Information” for more information on the voting methods available to you. If you elect to vote via the Internet, by telephone or in person at the Meeting, do not complete or return the form of proxy.

VOTING METHODS AVAILABLE TO YOU



IN PERSON



BY MAIL



BY TELEPHONE



BY SMARTPHONE



VIA THE INTERNET



BY PROXYHOLDER

MANAGEMENT INFORMATION CIRCULAR SUMMARY

DIRECTOR NOMINEES (see Section 4 for complete profiles)

Nominee	Age	Director Since	Principal Occupation	Independence	Committee(s)	Board and Committee Attendance	Other Public Boards	Top Two Competencies
Henry Buckley	55	-	President and Chief Executive Officer	No	-	-	None	<ul style="list-style-type: none"> ▸ Distribution Industry ▸ Mergers & Acquisitions
James E. Buzzard	64	2012	President Clarit Realty, Ltd.	Yes	Governance HR	100%	None	<ul style="list-style-type: none"> ▸ Automotive Industry ▸ Real Estate
Michelle Ann Cormier	59	-	Operating Partner Wynnchurch Capital Canada, Ltd.	Yes	-	-	1 ¹	<ul style="list-style-type: none"> ▸ Finance – Accounting ▸ Risk Management
André Courville	62	2014	Corporate Director	Yes	Audit Governance	100%	None	<ul style="list-style-type: none"> ▸ Accounting & Auditing ▸ Mergers & Acquisitions
Patricia Curadeau-Grou	60	2013	Corporate Director	Yes	Audit HR	96%	1 ²	<ul style="list-style-type: none"> ▸ Banking ▸ Risk Management
Jean Dulac	44	2007	President M&M Nord Ouest Inc.	Yes	Governance HR	100%	None	<ul style="list-style-type: none"> ▸ Automotive Industry ▸ Human Resources
Jeffrey I. Hall	58	2015	Corporate Director	Yes	Audit	100%	None	<ul style="list-style-type: none"> ▸ Distribution Industry ▸ Management & Leadership
Richard L. Keister	70	2013	Corporate Director	Yes	Audit HR	96%	None	<ul style="list-style-type: none"> ▸ Automotive Industry ▸ Management & Leadership
Richard G. Roy	60	2008	Corporate Director	No	-	100%	2 ³	<ul style="list-style-type: none"> ▸ Automotive Industry ▸ Finance – Accounting
Dennis M. Welvaert	67	2013	Corporate Director	No	Governance HR	100%	None	<ul style="list-style-type: none"> ▸ Business Improvement and Optimization ▸ North American Aftermarket Industry

¹ Ms. Cormier is a member of the Board of Directors of Dorel Industries Inc.

² Ms. Curadeau-Grou is a member of the Board of Directors of Cogeco Communications Inc.

³ Mr. Roy is a member of the Board of Directors of each of Dollarama Inc. and GDI Integrated Facility Services Inc.

MANAGEMENT INFORMATION CIRCULAR SUMMARY

2015 EXECUTIVE COMPENSATION HIGHLIGHTS

General principles
A significant portion of executive compensation is linked to the performance of the Corporation
The total compensation for executives is positioned at the median of their comparison group
The President and Chief Executive Officer has 65% of his global compensation at risk
The other Named Executive Officers have at least 50% of their global compensation at risk
The executive bonuses are based on a level of achievement of financial objectives, objectives tied to certain key strategic and high-priority activities associated with the development of the Corporation and personal objectives

MANAGEMENT INFORMATION CIRCULAR SUMMARY

GOVERNANCE HIGHLIGHTS

The following table shows some of the ways Uni-Select continues to adhere to the highest standards in corporate governance that it has maintained throughout its more than 45-year history.

Number of director nominees	10
Number of independent director nominees	7
Average age of director nominees	60
Annual election of directors	✓
Directors elected individually (rather than slate voting)	✓
Majority voting policy for directors	✓
Separate Chair and Chief Executive Officer	✓
Director tenure and age term limits policy	✓
Share ownership guidelines for directors and executives	✓
Board orientation/education program	✓
Number of Board meetings held in the 2015 fiscal year	12
Percentage of members on the Audit Committee who are financially literate	100%
Code of Business Conduct	✓
Formal Board & Committee evaluation processes	✓
Policy on diversity including gender diversity	✓

TABLE OF CONTENTS

About Uni-Select	2
Management Information Circular Summary	3
Notice of Annual and Special Meeting of Shareholders	8
Management Information Circular	9
Questions and Answers	9
1 Voting and Proxy Information	9
2 General Information	12
3 Business of the Meeting	13
4 Nominees for Election to the Board	15
5 Report on Corporate Governance Practices	22
6 Director Compensation and Attendance	25
7 Executive Compensation Related Fees	32
8 Executive Compensation Disclosure & Analysis	33
9 Summary Compensation Table	48
10 Performance Graph	54
11 Additional Information	55
12 Approval of the Directors	55
Schedule A – Special Resolution to Amend the Articles	56
Schedule B – Board of Directors’ Charter	57
Schedule C – Deferred Performance Unit (DPU) Program Summary	68

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

March 24, 2016

To shareholders of Uni-Select Inc.

You are convened to the Annual and Special Meeting of the Shareholders of Uni-Select Inc. (“**Meeting**”) that will be held on:

April 28, 2016

1:30 p.m. (Eastern Daylight Time)

Iles-de-Boucherville D Room

Hôtel Mortagne

1228 Nobel Street

Boucherville, Québec J4B 5H1

The Meeting will have the following purposes:

- 1** to receive the financial statements of Uni-Select Inc. for the fiscal year ended December 31, 2015 and the auditors’ report relating thereto;
- 2** to elect the directors;
- 3** to appoint the auditors and authorize the directors to set their remuneration;
- 4** to consider and, if deemed appropriate, pass a special resolution, the full text of which is reproduced as Schedule A to the Management Information Circular, to amend the Articles of the Corporation to (i) authorize shareholder meetings to be held anywhere in Canada, (ii) to authorize the Board of Directors to appoint one or more additional directors to hold office for a term expiring not later than the close of the annual meeting following their appointment, provided that the total number of directors so appointed may not exceed one third of the number of directors elected at the annual meeting preceding their appointment, and (iii) to limit the number of preferred shares that may be issued and outstanding at any time to a number equal to not more than twenty percent (20%) of the number of issued and outstanding Shares at the time of issuance of any preferred shares; and
- 5** to transact such other business as may properly be brought before the Meeting.

If you are unable to attend the Meeting in person, kindly complete and return the enclosed form of proxy to Computershare Trust Company of Canada in the enclosed envelope. You may also exercise your right to vote by phone, by internet or by smartphone. For directions, please see the form of proxy. The proxy must be received at least 48 hours (Saturdays, Sundays and statutory holidays not included) before the calling to order of the Meeting or at any continuation following the adjournment or postponement thereof, in order to ensure the registration of your vote.

By order of the Board of Directors



Me Louis Juneau
Chief Legal Officer and Corporate Secretary

Boucherville, Québec

MANAGEMENT INFORMATION CIRCULAR

QUESTIONS AND ANSWERS

1 | VOTING AND PROXY INFORMATION

1.1 | HOW ARE PROXIES SOLICITED AND WHAT IS THE COST?

This Management Information Circular is provided by the Management of Uni-Select Inc. (“**Uni-Select**” or “**Corporation**”) in connection with the solicitation of proxies which will be used to vote at the Annual and Special Meeting of the Shareholders (“**Meeting**”) to be held at the date, time and place and for the purposes set forth in the foregoing Notice of Meeting (“**Notice**”) and at any adjournment or postponement thereof.

The solicitation will be primarily by mail. Cost of such solicitation, which is anticipated to be minimal, will be borne by the Corporation.

The Corporation does not send proxy-related materials directly to the non-registered shareholders or beneficial shareholders and is not relying on the notice-and-access provisions of securities laws for delivery to either registered or non-registered shareholders. The Corporation will provide proxy materials to brokers, custodians, nominees and fiduciaries or their agents and will request that such materials be forwarded to each non-registered shareholder or beneficial shareholder of voting shares registered in their names. The Corporation has elected to pay for the delivery of its proxy-related materials to objecting beneficial shareholders.

Unless otherwise stated, the information contained in this Management Information Circular is given as of February 29, 2016 and all dollar amounts are in Canadian dollars.

For those shareholders who cannot attend the Meeting in person, the Corporation has made arrangements to provide a live audio webcast of the Meeting. To listen to the Meeting on the web, please access Uni-Select's website at uniselect.com.

1.2 | WHO IS ENTITLED TO VOTE?

The authorized share capital of the Corporation is composed of one class of common shares and one class of preferred shares. On the date hereof, only common shares (“**Shares**”) are issued and outstanding. Each Share entitles the holder to one vote.

Each person listed on the register of shareholders as at the close of business on March 24, 2016 (“**Record Date**”) is entitled to vote at the Meeting for the Shares registered in his or her name on that date.

As at February 29, 2016, 21,517,234 Shares of the Corporation were issued and outstanding. The Shares are traded under the symbol “UNS” on the Toronto Stock Exchange (“**TSX**”).

To the knowledge of the Corporation’s directors and Senior Executives, the only persons or companies which beneficially owned or exercised control or direction over, directly or indirectly, 10% or more of the issued and outstanding Shares were the following:

NAME	NUMBER OF SHARES	PERCENTAGE
Beutel, Goodman & Co. Ltd.	2,684,800	12.48%
Fidelity Management & Research Company Pyramis Global Advisors, LLC Pyramis Global Advisors Trust Company Strategic Advisers Incorporated and FIL Limited	2,651,500	12.32%

1.3 | WHAT WILL I BE VOTING ON?

At the Meeting, shareholders will vote on three items:

- 1 The election of directors;
- 2 The appointment of auditors including authorizing the Board of Directors to fix their remuneration; and
- 3 The approval of certain amendments to the Articles of the Corporation.

The Board and Management recommend that you vote **FOR** items 1, 2 and 3.

1.4 | HOW DO I VOTE?

If you are eligible to vote and your common shares are registered in your name, you can vote your Shares in person at the Meeting or by proxy, as explained below. If your Shares are held in the name of a nominee, please see the instructions below under “How do I vote if I am a non-registered shareholder?”.

1.5 | HOW DO I VOTE IF I AM A REGISTERED SHAREHOLDER?

You may vote your Shares in one of the following ways:

VOTING IN PERSON



If you wish to vote in person at the Meeting, do not complete or return the proxy form. Please register with the representative of Computershare Trust Company of Canada (“**Computershare**”) when you arrive at the Meeting. Your vote will be taken and counted at the Meeting.

VOTING BY PROXY



By mail: Complete, sign, date and return your form of proxy in the envelope provided.



By telephone: Call the telephone number on your form of proxy.



By smartphone: Scan the QR code on your form of proxy.



Via the Internet: Visit the website listed on your form of proxy.



By proxyholder: Registered shareholders may give another person authority to vote at the Meeting on their behalf by appointing a proxyholder. A proxyholder is the person you appoint on your behalf at the Meeting to vote your Shares in your name.

You have the right to appoint some other person of your choice, who need not be a shareholder, to attend and act on your behalf at the Meeting. You should be sure that this person is attending the Meeting and is aware that he or she has been appointed to vote your Shares. If you wish to appoint some other person, please insert the person’s name in the blank space provided on the proxy form. If you do not insert a name in the blank space, then the persons named on the form, being Robert Chevrier and Henry Buckley, each of whom is a director and/or officer of Uni-Select, will act as your proxyholder.

You have the right to choose anyone to be your proxyholder, who need not be a shareholder, to attend and act on your behalf at the Meeting.

On the form, you should indicate how you want your proxyholder to vote your Shares. You may vote **FOR** or **WITHHOLD** your vote on (i) each proposed nominee for election as a director and (ii) the appointment of the auditors including authorizing the Board of Directors to fix their remuneration and you may vote **FOR** or **AGAINST** the special resolution to amend the Articles of the Corporation.

Please complete, sign, date and return the form in the envelope provided or by facsimile to Computershare's toll-free line at 1 866 249 7775 or at 1 416 263 9524 or you can vote by smartphone, internet or by proxyholder by following the instructions on your proxy form. Proxy forms must arrive no later than 5:00 PM (Eastern Daylight Time) on April 26, 2016 (or upon reconvening of the Meeting, at least 48 hours – excluding Saturdays, Sundays and holidays – before the calling to order of said reconvened Meeting).

HOW WILL MY SHARES BE VOTED?

If you give directions on how to vote your Shares, your proxyholder must vote your Shares according to your instructions. If your proxyholder does not attend the Meeting and vote in person, your Shares will not be voted.

If you have appointed a person designated by Uni-Select as proxyholder as provided in the enclosed form of proxy and you do not provide any instructions concerning a matter identified in the Notice of Meeting, the Shares represented by such proxy will be voted **FOR** the three items identified in the Section 1.3 *What will I be voting on?*

The accompanying form of proxy confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other business which may properly be brought before the Meeting. At the date of this Management Information Circular, Management of the Corporation knows of no such amendments, variations or other business to be brought before the Meeting.

IF I CHANGE MY MIND, HOW CAN I REVOKE MY PROXY?

A registered shareholder who has given a proxy may revoke it at any time prior to its use by instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized. Such instrument should be delivered to the Secretary of the Corporation at the registered office of Uni-Select, 170 Industriel Blvd., Boucherville, QC J4B 2X3, at any time up to and including the close of business on the last business day preceding the day of the Meeting or any adjournment thereof or depositing it with the Chair of the Meeting on the day of the Meeting, being April 28, 2016, or any continuation following the adjournment thereof, or in any other manner permitted by law.

1.6 | HOW DO I VOTE IF I AM A NON-REGISTERED SHAREHOLDER?

You are a non-registered shareholder or a beneficial shareholder if your Shares are held in a nominee's name such as a bank, trust company, securities broker or other nominee. Generally, the proxy form or voting instruction form sent or to be sent by your nominee indicates whether you are a beneficial shareholder.

Shares held by your broker or its nominee can only be voted upon your instructions. Without specific instructions, your broker, its agent or its nominee is prohibited from voting your Shares. Therefore, you should ensure that instructions respecting the voting of your Shares are communicated to the appropriate person.

Non-registered shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.

VOTING IN PERSON

If you wish to vote in person at the Meeting, you should insert your own name in the space provided on the voting instruction form provided to you by your nominee and return the completed form to Broadridge Investor Communication Solutions (“**Broadridge**”) by mail or facsimile.

VOTING INSTRUCTIONS

Your nominee is required to seek voting instructions from you well in advance of the Meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your Shares are voted at the Meeting.

Often, the form of proxy supplied by your broker is similar to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder on how to vote on your behalf. The majority of brokers delegate responsibility for obtaining voting instructions from clients to Broadridge. Broadridge mails a voting instruction form in lieu of the form of proxy provided by Uni-Select. The voting instruction form will name the same persons as the proxy to represent the holder of Shares at the Meeting. To exercise this right, the holder of Shares should insert the name of the desired representative in the blank space provided in the voting instruction form. You are asked to complete and return the voting instruction form to Broadridge by mail or facsimile. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting.

If you receive a voting instruction form, it cannot be used as a proxy to vote Shares directly at the Meeting as the voting instruction form must be returned to Broadridge or other intermediary, as applicable, well in advance of the Meeting in order to have the Shares voted or to appoint an alternative representative to attend the Meeting in person to vote such Shares.

REVOKING YOUR VOTING INSTRUCTIONS

A non-registered shareholder who has given voting instructions may revoke it by following the procedures provided by its nominee.

2 | GENERAL INFORMATION

2.1 | NORMAL COURSE ISSUER BID

On July 31, 2014, the Board of Directors of Uni-Select authorized a normal course issuer bid (“**2014 Issuer Bid**”) and the purchase of up to 1.18% of the public float of the Corporation’s Shares as at July 30, 2014. Desjardins Securities Inc. was appointed as the broker firm responsible for making purchases of Shares under the 2014 Issuer Bid on behalf of the Corporation, pursuant to an automatic purchase plan. For the period between August 11, 2014 and August 10, 2015, the Corporation repurchased for cancellation 52,415 Shares.

On August 13, 2015, the Board of Directors of Uni-Select authorized a normal course issuer bid (“**2015 Issuer Bid**”) for the purchase of up to 1,000,000 Shares, representing approximately 4.6% of the Corporation’s public float of Shares as at August 1, 2015. Desjardins Securities Inc. has been appointed as the broker firm responsible for making purchases of Shares under the 2015 Issuer Bid on behalf of the Corporation, pursuant to an automatic purchase plan. The 2015 Issuer Bid will expire on August 16, 2016. For the period between August 17, 2015 and February 29, 2016, the Corporation repurchased for cancellation 231,740 Shares pursuant to the 2015 Issuer Bid.

3 | BUSINESS OF THE MEETING

3.1 | FINANCIAL STATEMENTS

The Consolidated Financial Statements for the year ended December 31, 2015, together with the auditors' report thereon are included in the 2015 Annual Report of the Corporation, available on Uni-Select's website at uniselect.com, on SEDAR at sedar.com, and in print, free of charge, to any shareholder who requests copies by contacting Investor Relations at 450 641 6972 or investorrelations@uniselect.com.

3.2 | ELECTION OF DIRECTORS

Upon recommendation of the Corporate Governance and Nominating Committee, 10 nominees are proposed for election as directors. All nominees have established their eligibility and willingness to serve as directors, if elected to office. Each director elected will hold office until the next annual meeting or until that director's successor is duly elected, unless the office is vacated earlier in accordance with the relevant provisions of applicable laws. The vote for each director will be conducted on an individual basis. The proposed nominees to the Board of Directors are listed in Section 4 *Nominees for Election to the Board*.

MAJORITY VOTING POLICY

The Board of Directors has a policy which requires that any nominee for director in an uncontested election who receives, for his or her election, a greater number of votes "withheld" than "for" must tender his or her resignation to the Board Chair promptly following the Meeting. The Board of Directors will promptly accept the resignation unless it determines that there are exceptional circumstances relating to the composition of the Board of Directors or voting results that justify delaying the acceptance of the resignation or rejecting it. Within 90 days of the Meeting, the Board of Directors will announce its decision to either accept or reject the resignation in a press release, including reasons for rejecting the resignation, if applicable. A director who tenders a resignation pursuant to this policy will not participate in any meeting of the Board of Directors, the Corporate Governance and Nominating Committee or any other committee of the Board of Directors at which the resignation is considered.

To be elected, a nominee must receive a greater number of votes "FOR" than "WITHHELD".

Unless otherwise instructed, the Management proxies designated in the proxy form intend to vote **FOR** the election of the 10 Board nominees listed below under Section 4 *Nominees for Election to the Board*.

3.3 | APPOINTMENT OF AUDITORS

The Board, on the recommendation of the Audit Committee, recommends the renewal of the mandate of Raymond Chabot Grant Thornton LLP as the auditors of the Corporation. Raymond Chabot Grant Thornton LLP have been the auditors of the Corporation since April 26, 1985. The auditors will hold office until the next annual meeting of shareholders of the Corporation or until their successors are appointed.

Unless otherwise instructed, the Management proxies designated in the proxy form intend to vote **FOR** the appointment of Raymond Chabot Grant Thornton LLP as the auditors of the Corporation and to vote in favour of authorizing the Board of Directors to set their remuneration.

EXTERNAL AUDITOR SERVICE FEES

Information regarding the fees paid to Raymond Chabot Grant Thornton LLP in the past two fiscal years is provided under the heading “Audit Committee – External Auditor Service Fees” of the Corporation’s Annual Information Form for 2015. A copy of the Annual Information Form is available on Uni-Select’s website at uniselect.com, on SEDAR at sedar.com, and in print, free of charge, to any shareholder who requests copies by contacting Investor Relations at 450 641 6972 or investorrelations@uniselect.com.

3.4 | AMENDMENTS TO THE ARTICLES OF THE CORPORATION

Section 164 of the *Business Corporations Act* (Québec) (“Act”) provides that a corporation may hold shareholder meetings at a place outside the Province of Québec if the articles so allow. Currently, the Corporation’s Articles do not provide it with this flexibility. In light of the fact that the Corporation has operations and a significant shareholder base across Canada, the Board of Directors believes that it would be beneficial to both the Corporation and its shareholders for the Corporation to have the ability to hold shareholder meetings at such place within Canada as the Board of Directors may, from time to time, determine to be appropriate.

The Act further provides that if the articles so provide, the directors of a corporation that is a reporting issuer may appoint one or more additional directors to hold office for a term expiring not later than the close of the annual meeting following their appointment, provided that the total number of directors so appointed may not exceed one third ($\frac{1}{3}$) of the number of directors elected at the annual meeting preceding their appointment. Currently, the Corporation’s Articles do not allow the Board to appoint additional directors in the manner described above. The Board believes that it would be beneficial to the Corporation and its shareholders to provide the Board with the flexibility to add directors (subject to the limitations set forth above) who possess expertise and knowledge relevant to the Corporation’s operations from time to time between annual shareholder meetings.

The authorized share capital of the Corporation includes an unlimited number of preferred shares, without par value, issuable in series. The Board is empowered to fix the number of, and to determine the designation, rights, privileges, restrictions and conditions attaching to the preferred shares of each series, subject to certain limitations established under the Articles of the Corporation (including that, subject to requirements under law, the holders of preferred shares shall not be entitled to vote at any meeting of shareholders). This discretion of the Board to determine the number of, and the designation, rights, privileges, restrictions and conditions attaching to the preferred shares may cause the preferred shares to be considered “blank cheque” preferred shares. The Board, as a good corporate governance measure, has resolved that it will not, without prior shareholder approval, issue any series of preferred shares for any defensive or anti-takeover purpose or with features specifically or primarily intended to make any attempted acquisition of the Corporation more difficult or costly. The Board believes that, given its discretion in determining the number of, and the designation, rights, privileges, restrictions and conditions attaching to the preferred shares, it would also be in the interests of good corporate governance and best practices to amend the Articles of the Corporation to limit the number of preferred shares that may be issued and outstanding to a number equal to not more than twenty percent (20%) of the number of issued and outstanding Shares at the time of issuance of any preferred shares.

Accordingly, at the Meeting, the shareholders will be asked to consider and, if deemed appropriate, approve a special resolution, the full text of which is set out in Schedule A hereto (“**Special Resolution**”), subject to such amendments, variations or additions as may be approved at the Meeting, authorizing the Corporation to amend its Articles (i) to authorize shareholder meetings to be held anywhere in Canada (ii) to authorize the Board of Directors to appoint one or more additional directors to hold office for a term expiring not later than the close of the annual meeting following their appointment, provided that the total number of directors so appointed may not exceed one third ($\frac{1}{3}$) of the number of directors elected at the annual meeting preceding their appointment, and (iii) to limit the number of preferred shares that may be issued and outstanding at any time to a number equal to not more than twenty percent (20%) of the number of issued and outstanding Shares at the time of issuance of any preferred shares. A copy of the current Articles of the Corporation is available on SEDAR at sedar.com.

The Board of Directors and Management believe that the proposed amendments to the Articles of the Corporation are in the best interests of the Corporation and, accordingly, the Board of Directors and Management are recommending that the shareholders vote **FOR** the approval of the Special Resolution, which requires an affirmative vote of not less than two-thirds ($\frac{2}{3}$) of the votes cast by the holders of Shares of the Corporation present in person or by proxy at the Meeting in order to be adopted.

Unless otherwise instructed, the Management proxies designated in the proxy form intend to vote **FOR** the approval of the Special Resolution.

4 | NOMINEES FOR ELECTION TO THE BOARD

The Board of Directors is committed to a Board size of a minimum of 9 directors and a maximum of 12 directors, which the Board considers to be an appropriate number given the size of the Corporation and sufficient to provide an appropriate mix of experience and skills for the stewardship of the Corporation. The number of directors to be elected at the Meeting is 10.

**Ten nominees
are proposed to act
as directors.**

4.1 | INFORMATION ON THE NOMINEES

The following are the nominees proposed for election as directors of Uni-Select. Except for Mr. Buckley and Ms. Cormier, all are currently directors of the Corporation. Each director elected will hold office until the next annual meeting of shareholders or until that director's successor is duly elected or appointed, unless the office is earlier vacated.

The following tables detail the experience, qualifications, areas of expertise, participation on the Board and its committees, participation on the boards of other public corporations, voting results at last year's annual meeting, as well as the number of Shares and deferred share units beneficially owned by each proposed director or over which each exercised control or direction, directly or indirectly, as of December 31, 2014, December 31, 2015 and February 29, 2016.

HENRY BUCKLEY, M.B.A.


Delta, British Columbia,
Canada

**President and Chief
Executive Officer**

Uni-Select Inc.

Since August 2015

Age: 55

Status: Non-Independent

Areas of Expertise

- Distribution Industry
- Mergers & Acquisitions

Mr. Buckley has been President and Chief Executive Officer of the Corporation since August 1, 2015. Prior thereto, Mr. Buckley was appointed Chief Operating Officer of the Corporation on September 8, 2014. He was previously Vice President for Specialty Brand Companies and Mergers and Acquisitions at W.W. Grainger Inc. between 2012 and 2014, Vice President and General Manager at Acklands-Grainger Inc., a division of W.W. Grainger Inc., between 2007 and 2012 and prior thereto held various senior management roles in the industrial distribution sector in the United States and Canada.

Mr. Buckley holds a Masters in Business Administration from Queen's University.

Board and Committee Attendance during 2015				Meeting Attendance
N/A				N/A
Board/Committee Membership				Public Board Membership
N/A				None
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units ("DSUs") ¹ (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	300	7,429	57.43	443,876.47
Dec. 31, 2015	None	2,493	68.51	170,795.43
Dec. 31, 2014	None	None	30.60	None
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
-	-		-	-

JAMES E. BUZZARD, AAP


Lakewood Ranch, Florida, USA

President

Clarit Realty, Ltd.

Since June 2012

Age: 64

Status: Independent

Joined Board: May 2012

Areas of Expertise

- Automotive Industry
- Real Estate

Mr. Buzzard is President of Clarit Realty, Ltd. Prior to his election to the Board, he acted as Executive Vice President, Uni-Select USA, Inc. from March 2005 until December 2009. He then acted as Senior Vice President, Corporate Development of Uni-Select USA, Inc. until May 2012.

Mr. Buzzard holds a Bachelor's Degree in Business Administration from St. Bonaventure University and an Automotive Aftermarket Professional designation from the University of the Aftermarket.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Corporate Governance and Nominating Committee				100%
Human Resources and Compensation Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2012) Corporate Governance and Nominating Committee (2013) Human Resources and Compensation Committee (2014)				None
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units ("DSUs") (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	200,000 ²	10,268	57.43	12,075,691.24
Dec. 31, 2015	200,000 ²	10,243	68.51	14,403,747.93
Dec. 31, 2014	600,000 ²	8,216	30.60	18,611,409.60
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
12,525,080	80.25%		3,083,441	19.75%

¹ For information regarding the DSUs, refer to Section 8.6 *Direct Remuneration – Short-Term Incentive Plan*.

² Mr. Buzzard exercises joint control over 200,000 Shares with Robert Buzzard. In 2015 and 2014, joint control was exercised over 200,000 and 600,000 Shares, respectively.

MICHELLE ANN CORMIER, CPA, CA, ASC


Montréal, Québec, Canada

Operating Partner

 Wynchurch Capital
Canada, Ltd.

Since July 2014

Age: 59

Status: Independent

Areas of Expertise

- Finance - Accounting
- Risk Management

Ms. Cormier is an Operating Partner of Wynchurch Capital Canada, Ltd., a Chicago-based private equity firm with offices in Detroit, New York, Los Angeles, Toronto and Montréal since July 2014. From 2001 until July 2014, she was Executive Vice President and Chief Financial Officer at TNG Capital Inc., a private investment and holding company. Ms. Cormier sits on the Board of Directors of Dorel Industries Inc. and is a member of its Audit Committee. She also chairs the Board of each of Industries Moreau Inc. and Pro-Fab Inc. as a representative of Wynchurch Capital and sits on the Board of Directors of Hydro-Québec, is a member of its Finance Committee and chairs its Audit Committee.³

Ms. Cormier holds a Bachelor's Degree in Business Administration from Bishop's University. She is a member of the Québec Order of Chartered Professional Accountants. She is also a member of the Institute of Corporate Directors, Women Corporate Directors (Québec Chapter) and of Diversity 50.

Board and Committee Attendance during 2015				Meeting Attendance
N/A				N/A
Board/Committee Membership				Public Board Membership
N/A				Dorel Industries Inc.
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units ("DSUs") (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	2,000	None	57.43	114,860.00
Dec. 31, 2015	None	None	68.51	None
Dec. 31, 2014	None	None	30.60	None
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour	Votes withheld	% of votes withheld	
-	-	-	-	

ANDRÉ COURVILLE, B.Comm., FCPA, FCA, ICD.D


Montréal, Québec, Canada

 Corporate director
since 2014

Age: 62

Status: Independent

Joined Board: July 2014

Areas of Expertise

- Accounting & Auditing
- Mergers & Acquisitions

Mr. Courville is a corporate director and a chartered professional accountant. Prior to his election to the Board, he acted as senior audit partner at Ernst & Young with 37 years of experience working with Canadian, U.S. and International listed companies in various industries. He is currently President and Chief Executive Officer and director of the Institute of Corporate Directors (Québec Chapter) and a director, Chair of the Audit and Finance Committee and member of the Executive Committee of the Montreal Heart Institute Foundation.

Mr. Courville has a Bachelor's Degree in Business Administration from HEC Montréal, completed the Kellogg Program at Harvard University, the Senior Management Program at Western University and was granted his ICD.D designation from the Institute of Corporate Directors. He is a Fellow of the Québec Order of Chartered Professional Accountants.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Audit Committee				100%
Corporate Governance and Nominating Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2014) Audit Committee, Chair (2014) ⁴ Corporate Governance and Nominating Committee (2015) ⁴				None
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	2,000	2,288	57.43	246,259.84
Dec. 31, 2015	2,000	2,282	68.51	293,359.82
Dec. 31, 2014	1,000	892	30.60	57,895.20
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour	Votes withheld	% of votes withheld	
15,453,148	99.00%	155,373	1.00%	

³ Ms. Cormier was asked to chair and conduct the restructuring of Adaltis Inc., a company in biotesting with operations in Italy, China and Montréal from 2009 to 2010. Upon her recommendation, the company was closed and then became bankrupt in 2010.

⁴ Mr. Courville is the chair of the Audit Committee since April 30, 2015 and was appointed to the Corporate Governance and Nominating Committee on April 30, 2015.

PATRICIA CURADEAU-GROU, B. Comm., ICD.D


Outremont, Québec, Canada

 Corporate director
since 2015

Age: 60

Status: Independent

Joined Board: May 2013

Areas of Expertise

- Banking
- Risk Management

Ms. Curadeau-Grou was, until her retirement at the end of October 2015, a senior officer of the National Bank of Canada since 1991. She was appointed Strategic Advisor to the President and Chief Executive Officer in June 2012 from her former position as Executive Vice President Risk Management, which she held from August 2011 to May 2012. Ms. Curadeau-Grou was previously Chief Financial Officer & Executive Vice President - Finance, Risk and Treasury from 2007 to 2011.

Prior to joining National Bank, Ms. Curadeau-Grou held a number of key positions at major financial institutions, primarily in business development, credit and corporate planning. She has been a Director of Cogeco Communications Inc., a major cable telecommunications company, since November 2011 and serves as a member of its Audit Committee and chairs its Human Resources Committee. Ms. Curadeau-Grou also sits on the Board of Directors of the Caisse de dépôt et placement du Québec and is a member of its Investment and Risk Committee. In addition, she is a director of Aéroports de Montréal. Ms. Curadeau-Grou also sits on the Board of several not-for-profit organizations.

Ms. Curadeau-Grou holds a Bachelor's Degree in Finance from McGill University and was granted her ICD.D designation from the Institute of Corporate Directors. In 2007, Ms. Curadeau-Grou was inducted into the Women's Executive Network Hall of Fame for Canada's most powerful women.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Audit Committee				80%
Human Resources and Compensation Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2013)				Cogeco Communications Inc.
Audit Committee (2013)				
Human Resources and Compensation Committee, Chair (2014)				
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	1,000	7,989	57.43	516,238.27
Dec. 31, 2015	1,000	7,970	68.51	614,534.70
Dec. 31, 2014	1,000	5,740	30.60	206,244.00
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
13,510,802	86.56%		2,097,719	13.44%

JEAN DULAC, B.COMM., M.B.A., CHRP, ADM.A.


Amos, Québec, Canada

President

M&M Nord Ouest Inc.

Since 2002

Age: 44

Status: Independent

Joined Board: May 2007

Areas of Expertise

- Automotive Industry
- Human Resources

Mr. Dulac is the President of M&M Nord Ouest Inc. since 2002, a distributor of automotive parts and industrial equipment for use in the mining and forestry industries and a member of the Uni-Select network.

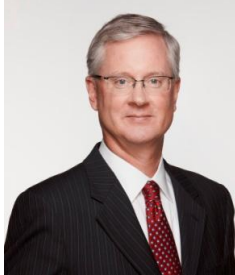
Mr. Dulac holds a Bachelor of Commerce from the Université Laval which he completed at the University of New Hampshire (USA), a Masters of Business Administration from the Université de Sherbrooke which he completed at the Fisher Graduate School of Business of the Monterey Institute of International Studies in California (USA), a Certificate in Business Law from the Université de Montréal and a Certificado General Español from the Universidad de Salamanca (Spain).

He is also a Certified Human Resources Professional and member of the Ordre des Conseillers en Ressources Humaines as well as a Chartered Administrator and member of the Ordre des Administrateurs Agréés.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Corporate Governance and Nominating Committee				100%
Human Resources and Compensation Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2007)				None
Corporate Governance and Nominating Committee (2015) ⁵				
Human Resources and Compensation Committee (2012)				
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	737,644 ⁶	2,448	57.43	42,503,483.56
Dec. 31, 2015	737,644 ⁶	2,442	68.51	50,703,291.86
Dec. 31, 2014	782,300 ⁶	2,031	30.60	24,000,528.60
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
13,030,923	83.49%		2,577,598	16.51%

⁵ Mr. Dulac was appointed to the Corporate Governance and Nominating Committee on April 30, 2015.

⁶ Mr. Dulac exercises joint control over 736,644 Shares with Daniel Dulac. In 2015 and 2014, joint control was exercised over 736,644 and 781,300 Shares, respectively.

JEFFREY I. HALL, BSc, P. ENG.


Oakville, Ontario, Canada

Corporate Director since 2015

Age: 58

Status: Independent

Joined Board: April 2015

Areas of Expertise

- Distribution Industry
- Management & Leadership

Mr. Hall has over 35 years of experience in the distribution industry. He was the President and CEO of Rexel Canada Electrical Inc. from 2005-2014 and the Chairman of Rexel North America Inc. from 2014-2015. Rexel, with its banners Westburne and Nedco, is one of the largest distributors of electrical, automation and telecom supplies in Canada. Prior to his appointment as CEO, Mr. Hall was Vice President of Westburne.

Mr. Hall graduated from the University of Toronto with a Bachelor of Applied Science in Industrial Engineering with Honours Standing.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Audit Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2015) Audit Committee (2015)				None
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	1,000	390	57.43	79,827.70
Dec. 31, 2015	None	389	68.51	26,650.39
Dec. 31, 2014	None	None	30.60	None
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
15,597,646	99.93%		10,875	0.07%

RICHARD L. KEISTER


Hollywood, Florida, USA

Corporate Director since 2007

Age: 70

Status: Independent

Joined Board: May 2013

Areas of Expertise

- Automotive Industry
- Management & Leadership

As an active investor since retirement in 2007, Mr. Keister serves on boards in a variety of industries. He is Chairman of Superior Linen, LLC, a Las Vegas based supplier to hotels and restaurants, a director of Primeritus Financial Services, Inc. which provides services to U.S. banks & lending institutions and a Director of Lumenco, Inc., a high-tech light management company. Mr. Keister was Chairman of QCSA Holdings, Inc., a remarketing company of vehicles donated to charity & those declared total losses by auto insurance companies from 2010 to 2013. From 2004 to 2007, Mr. Keister was President and Chief Executive Officer of Keystone Automotive Industries, a publicly-traded distributor and remanufacturer of automotive collision parts, paint and materials to body shops throughout the U.S. and Canada. Prior thereto, he was Aftermarket President of Delco Remy International (1997-2004).

Mr. Keister holds a Masters Professional Director Certification from the American College of Corporate Directors, a public company director education and credentialing organization. He is a graduate of the Harvard Business School OPM program, 1991 – 1993. He attended University of Virginia, Canal Zone College during his military service.

Board and Committee Attendance during 2015				Meeting Attendance
Board				92%
Audit Committee				100%
Human Resources and Compensation Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2013) Audit Committee (2015) Human Resources and Compensation Committee (2013)				None
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	17,100	4,939	57.43	1,265,699.77
Dec. 31, 2015	17,100	4,927	68.51	1,509,069.77
Dec. 31, 2014	17,100	3,600	30.60	633,420.00
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
13,576,927	86.98%		2,031,594	13.02%

RICHARD G. ROY, FCPA, FCA


Verchères, Québec, Canada

Corporate Director
since 2015

Age: 60

 Status: Non-Independent⁷

Joined Board: May 2008

Areas of Expertise

- Automotive Industry
- Finance - Accounting

Mr. Roy was the President and Chief Executive Officer of Uni-Select until July 31, 2015. Prior to January 2008, he held the positions of Vice President, Chief Operating Officer and Vice President, Administration and Chief Financial Officer of the Corporation.

Mr. Roy holds a Bachelor's Degree in Business Administration from the École des Hautes Études Commerciales. He is a member of the Québec Order of Chartered Professional Accountants. He was awarded the title of Fellow in 2012.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2008)				Dollarama Inc. GDI Integrated Facility Services Inc.
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	40,438	124	57.43	2,329,475.66
Dec. 31, 2015	40,438	124	68.51	2,778,902.62
Dec. 31, 2014	40,438	5,895	30.60	1,417,789.80
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
15,321,374	98.16%		287,147	1.84%

DENNIS M. WELVAERT, B.S., M.B.A., MAAP


Leander, Texas, USA

President
Welvaert Business Solutions, LLC

Since April 2011

Age: 67

 Status: Non-Independent⁸

Joined Board: July 2013

Areas of Expertise

- Business Improvement and Optimization
- North American Aftermarket Industry

Mr. Welvaert is President of Welvaert Business Solutions, LLC, a consulting company. He acted as Interim President of Uni-Select USA, Inc. from April to July 2013 and as Chair of the Board of Uni-Select USA, Inc. from July 31, 2013 to December 31, 2014. He retired as President of Dayco North American Aftermarket and Australian Operations Division of Dayco Products, LLC in August 2011. With Dayco, Mr. Welvaert held senior executive-level positions in the OEM, Industrial and Aftermarket divisions.⁹

Mr. Welvaert holds a Bachelor of Science in Chemistry from Wayne State University, a Master in Business Administration from Eastern Michigan University and a Master Automotive Aftermarket Professional designation from the University of the Aftermarket.

Board and Committee Attendance during 2015				Meeting Attendance
Board				100%
Corporate Governance and Nominating Committee				100%
Human Resources and Compensation Committee				100%
Board/Committee Membership				Public Board Membership
Board of Directors (2013)				None
Corporate Governance and Nominating Committee (2013)				
Human Resources and Compensation Committee (2013)				
Securities Held or Controlled				
Year	Common Shares (#)	Deferred Share Units (#)	Share price (\$)	Total value of Common Shares and DSUs (\$)
Feb. 29, 2016	200	3,985	57.43	240,344.55
Dec. 31, 2015	200	3,975	68.51	286,029.25
Dec. 31, 2014	200	2,790	30.60	91,494.00
Voting results at the annual meeting of shareholders held on April 30, 2015				
Votes in favour	% of votes in favour		Votes withheld	% of votes withheld
12,525,780	80.25%		3,082,741	19.75%

⁷ Mr. Roy is not independent having acted as President and Chief Executive Officer of the Corporation until July 31, 2015.

⁸ Mr. Welvaert is not independent having acted as Interim President of Uni-Select USA, Inc. until July 2013 and Chair of the Board of Uni-Select USA, Inc. until December 31, 2014.

⁹ Mr. Welvaert was President of Dayco Products, LLC, North American Aftermarket Division, when its parent company, Mark IV Industries, Inc. declared bankruptcy in April 2009. Mark IV Industries, Inc. emerged from bankruptcy in November 2009 and Mr. Welvaert continued his role as President until his retirement in April 2011.

4.2 | INFORMATION ON SHAREHOLDINGS

The Board modified, on February 28, 2013, the minimum number of Shares that each director must hold from 1,000 shares to a minimum value (shares and DSUs) of three times the annual allowance paid to the directors (\$60,000) representing a total value of \$180,000 (to be achieved within 5 years of the modification). As at February 29, 2016, 8 out of the 9 current members of the Board of Directors meet the minimum ownership value for directors set by the Board of Directors. The Corporation has set the minimum number of Shares that each officer must hold in its Share Ownership Guidelines (“SOG”). For information regarding the SOG, refer to Section 8.3 *Summary of Senior Executives Compensation Elements*.

4.3 | DIRECTOR INDEPENDANCE

A majority of the members of the Board of Directors, all of the members of the Audit Committee and a majority of the members of each of the Board’s remaining committees are independent, as defined by the Canadian Securities Administrators. The Board, either directly or through one of its committees, adopts structures and procedures to ensure the Board functions independently of Management.

**7 of the 10
nominees for
election to the Board
of Directors are
independent.**

At any time, any director may request that a meeting of the Board or any committee be held without Management or non-independent directors. The agenda for each Board and committee meeting provides for a period of discussion between Board members in the absence of Management or non-independent directors.

All director nominees are independent, except (i) Henry Buckley who is the President and Chief Executive Officer of the Corporation (ii) Richard G. Roy who, until July 31, 2015, was the President and Chief Executive Officer of the Corporation and (iii) Dennis M. Welvaert who acted as Interim President of Uni-Select USA, Inc. from April to July 2013 and as Chair of the Board of Uni-Select USA, Inc. from July 31, 2013 to December 31, 2014.

INDEPENDENT CHAIR OF THE BOARD

The Corporation’s Board has been led by a non-executive Chair since it became public in 1985 and believes that the separation of the positions of President and Chief Executive Officer and Chair effectively allows the Board to function independently of Management and enhance accountability. Potential conflicts of interest are avoided while sound leadership, effective decision-making and candid discussion are promoted by having an independent Chair of the Board. Mr. Robert Chevrier, who has acted as independent Chair of the Board since 2012, will retire from the Board on the date of the Meeting. It is expected that, following the Meeting, the members of the Board will appoint Mr. Chevrier’s successor to the position of independent chair.

4.4 | DIRECTOR INTERLOCKS

As of February 29, 2016, there are no interlocking public corporation directorships or committee memberships (directors of the Corporation who sit on the same board or committee of another public corporation) among the Board members and the nominees.

5 | REPORT ON CORPORATE GOVERNANCE PRACTICES

Uni-Select has adopted certain policies and procedures to ensure that effective corporate governance practices are followed and the Board functions independently of Management. Our Corporate Governance Guidelines provide a framework of authority and accountability to enable the Board and Management to make timely and effective decisions that promote shareholder value while complying with applicable laws and Uni-Select's commitment to ethical conduct, integrity and transparency.

The Board of Directors believes that good corporate governance practices are important and follows the evolution of corporate governance practices and guidelines in Canada. The Corporate Governance and Nominating Committee will pursue its review of Uni-Select's corporate governance practices and, if appropriate, will make recommendations to the Board of Directors to improve them.

**A copy of the
Corporate
Governance
Guidelines are
available at
uniselect.com or by
contacting Investor
Relations.**

5.1 | CORPORATE GOVERNANCE INITIATIVES

Among its various corporate governance initiatives, the Corporation has adopted:

- 1 A Code of Ethics;
- 2 A conflict of interest policy;
- 3 A whistleblower policy;
- 4 An insider trading and blackout policy;
- 5 A minimum ownership requirement policy for directors and Senior Executives;
- 6 A majority voting policy for the election of directors;
- 7 Charters for the Board and each of its committees;
- 8 Position descriptions for the Chief Executive Officer, the Chair of the Board of Directors and the committee Chairs;
- 9 A selection process for new directors;
- 10 An assessment process for the President and Chief Executive Officer, the Board of Directors, the committees and the directors;
- 11 A continuing education program for the directors;
- 12 An Annual Assessment process for the External Auditors; and
- 13 A Board Diversity Policy.

5.2 | BOARD MANDATE

The Board of Directors adopted a Board of Directors' Charter in order to identify the responsibilities of the Board and thereby to enhance coordination and communication between the Board and Management. A copy of the Board of Directors' Charter is attached hereto as Schedule B.

5.3 | COMMITTEES OF THE BOARD

The primary responsibility of the Board is to supervise the management of the Corporation so as to foster its long-term success consistent with the Board's responsibility to the shareholders to maximize shareholder value. The Board approves all matters required by the Act and other applicable legislation and the Corporation's Articles and By-laws. To the extent permitted by the Act, the Board may delegate the exercise of its powers to any director, officer or Board committee.

Given the size of the Corporation, the nature and geographic scope of its activities and the great number of laws and regulations to which the Corporation is subject, the Board of Directors has established committees that have certain responsibilities. These committees are the Audit Committee, the Corporate Governance and Nominating Committee and the Human Resources and Compensation Committee. All committees report to the Board of Directors and Board committee recommendations are subject to Board approval.

A copy of the Board and committee charters is available at uniselect.com or by contacting Investor Relations.

The following is a summary of the mandate of each committee of the Board of Directors.

AUDIT COMMITTEE

The Audit Committee, composed entirely by independent members, is established by the Board of Directors to assist the Board in fulfilling its responsibilities with respect to the integrity of the Corporation's financial statements, reports and financial reporting process. In so doing, it is the responsibility of the Committee to maintain free and open communication between the Board, the external auditors and Management of the Corporation and monitor their performance, recognizing that the external auditors are ultimately accountable to the Committee, the Board and the shareholders of the Corporation.

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

The Corporate Governance and Nominating Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities in overseeing the implementation of corporate governance rules, procedures and policies as well as compliance therewith, in particular by establishing and reviewing the functions of the Board and its committees, and those of the Chair of the Board. It also assists the Board of Directors in identifying individuals qualified to become members of the Board and determining the composition of the Board of Directors and its committees and periodically reviews the selection and succession criteria and procedures for directors. Furthermore, it ensures that a process is set up to assess the performance and effectiveness of the Board, the committees and their members. It establishes criteria for, and annually implements, an evaluation process for the Board, the Board Chair, each committee of the Board in order to assess their effectiveness and contribution and recommends steps which may be taken to improve effectiveness. The Committee also ensures that full and complete disclosure of the Corporation's systems of corporate governance is made, where appropriate, in the Corporation's disclosure documents.

HUMAN RESOURCES AND COMPENSATION COMMITTEE

The Human Resources and Compensation Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities relating to human resources and compensation and to establish a succession plan and development of Senior Executives. The Committee has the responsibility for evaluating and making recommendations to the Board regarding the compensation of the Corporation's executives and the short-term and long-term compensation plans, policies and programs of the Corporation. In addition, the Committee produces an annual report on executive compensation for inclusion, where appropriate, in the Corporation's Management Information Circular.

5.4 | POSITION DESCRIPTIONS

The Board of Directors must define the roles and responsibilities of the Board and Management. In addition, the Board has developed position descriptions for the President and Chief Executive Officer, the Chair of the Board and the committee Chairs.

The Chair of the Board is responsible for effectively managing the affairs of the Board in accordance with corporate governance principles.

The committee Chair position description sets out the responsibilities and duties of the Chair in guiding each committee in the fulfillment of its duties.

The position description for the President and Chief Executive Officer is developed with input from the President and Chief Executive Officer and the Human Resources and Compensation Committee, and is approved by the Board of Directors. The description provides that the President and Chief Executive Officer's fundamental responsibility is the general direction and management of the business and affairs of the Corporation, within the authority limitations delegated by the Board, focused on meeting the corporate goals and objectives approved by the Board of Directors.

5.5 | DIRECTOR ORIENTATION AND CONTINUING EDUCATION

The Board ensures that all new directors receive a comprehensive orientation regarding the nature and operation of the Corporation's business. Management provides new directors with general information on the Corporation and the new directors are given the opportunity to meet with executive management and operational personnel and to visit the Corporation's distribution centres and other facilities.

New directors are also provided with a basic understanding of the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Corporation expects from its directors) in order to assist new directors in contributing effectively to the Board.

The Board also ensures that the directors receive continuing education on a regular basis. Management or independent consultants give presentations to the Board of Directors on various topics and update the Board on governance initiatives and issues.

5.6 | ETHICAL BUSINESS CONDUCT

The Corporation has a Code of Ethics that governs the conduct of Uni-Select's directors, officers and employees. The Board of Directors, together with the Human Resources and Compensation Committee, is responsible for monitoring the implementation, operation and effectiveness of the Code by ensuring that it is complied with and kept up-to-date and by recommending the adoption of any policies and procedures that are required pursuant to the Code. Management oversees its practices to ensure that they reflect the values and beliefs advocated by the Corporation in addition to the fundamental rules that must govern all persons who may, in one form or another, engage the Corporation's responsibility. Failure to comply with this Code is grounds for disciplinary action that may include termination of employment or, in the case of directors, removal from the Board of Directors.

A copy of the position descriptions is available at uniselect.com or by contacting Investor Relations.

A copy of the Code of Ethics, the policy on Conflict of Interest and the Whistleblower Policy is available at uniselect.com or by contacting Investor Relations.

CONFLICT OF INTEREST

Uni-Select has a policy governing conflict of interest that must be completed and signed by all directors, officers and employees. The purpose of this Policy is to maintain a high level of integrity in carrying out professional activities and to ensure compliance with the laws, regulations and highest standards of professional conduct in every jurisdiction in which the Corporation carries on business. In general, any employee, officer or director of the Corporation must not have any dealings, ties or interests which could deprive the Corporation of their loyalty when they are acting in the name of the Corporation.

No employee, officer or director shall commit to or develop a professional relationship with an individual or company or become involved in any initiative or action whatsoever in which they believe there is a potential or apparent conflict of interest without previously requesting approval.

Officers shall promptly report to the President and Chief Executive Officer and Directors shall promptly report to the Chair of the Board, or to the Chair of the Human Resources and Compensation Committee, any material personal financial interests in, or employment or position with, any business or company which is in competition with the Corporation or which carries on or wishes to carry on business with the Corporation or any other situation which may give rise to a potential or apparent conflict of interest.

WHISTLEBLOWER POLICY

The Corporation has a policy in place with regards to the Audit Committee Whistleblower Procedures. This Policy describes the process for the receipt and handling of complaints and the retention of complaint files with respect to the Corporation's accounting, internal accounting controls or auditing matters.

The Audit Committee has the responsibility to provide for the confidential and anonymous submission by the Corporation's employees of concerns relating to accounting or auditing matters. The procedures are intended to fulfill these responsibilities and to ensure that any such complaints and concerns are promptly and effectively addressed.

6 | DIRECTOR COMPENSATION AND ATTENDANCE

6.1 | HIGHLIGHTS

In 2015, the directors:

- 1 Conducted customary responsibilities such as:
 - Evaluation of Management performance; and
 - Evaluation of the Corporation's performance;
- 2 Modified the composition of the various committees of the Board;
- 3 Prepared the succession of the members of the Board and of the Chair; and
- 4 Assisted Management in the sale of the assets of Uni-Select USA, Inc. and of Beck/Arnley Worldparts, Inc.

6.2 | COMPOSITION OF THE COMMITTEES

The following table sets out current committee members:

COMMITTEE ¹	FROM JANUARY 1, 2015 TO APRIL 30, 2015	SINCE APRIL 30, 2015
Audit	John A. Hanna, Chair Robert Chevrier André Courville Patricia Curadeau-Grou	André Courville, Chair Robert Chevrier Patricia Curadeau-Grou Jeffrey I. Hall Richard L. Keister
Corporate Governance and Nominating	Robert Chevrier, Chair James E. Buzzard John A. Hanna Richard L. Keister Dennis M. Welvaert	Robert Chevrier, Chair James E. Buzzard André Courville Jean Dulac Dennis M. Welvaert
Human Resources and Compensation	Patricia Curadeau-Grou, Chair Robert Chevrier James E. Buzzard Jean Dulac Richard L. Keister Dennis M. Welvaert	Patricia Curadeau-Grou, Chair Robert Chevrier James E. Buzzard Jean Dulac Richard L. Keister Dennis M. Welvaert

¹ Prior to his retirement as President and Chief Executive Officer on July 31, 2015, Richard G. Roy was invited to attend the meetings of all committees. The agenda for each committee meeting provides for a period of discussion between committee members in the absence of Management or non-independent directors.

6.3 | DIRECTOR COMPENSATION

The objective of the Corporation is to offer its directors competitive compensation, sufficient to attract and retain directors who display qualities relevant to the environment in which the Corporation evolves. The global compensation of the directors is reviewed regularly.

The following table displays the compensation structure of directors for 2015:

ITEM OR SERVICE	FEE
Chair of the Board annual allowance ¹	\$250,000
Quarterly allowance	\$15,000 ²
Participation in a committee or Board meeting	\$1,750
Annual allowance for the Chair of the Audit Committee	\$12,000
Annual allowance for the Chair of the Human Resources and Compensation Committee	\$12,000
Annual allowance for the Chair of other committees	\$8,000

¹ Since May 8, 2012, Mr. Chevrier has received an annual allowance and has not received any additional compensation for any committee or Board meetings. At Mr. Chevrier's request, his annual allowance has been paid in DSUs.

² Out of the quarterly allowance, a minimum of \$5,000 is payable in DSUs.

6.4 | DIRECTOR COMPENSATION TABLE

The following table provides the annual retainers and attendance fees that each non-Management director earned during the fiscal year ended December 31, 2015 for their participation on the Board of Directors of Uni-Select and its committees:

NAME	FEES EARNED	SHARE-BASED AWARDS ¹	OPTION-BASED AWARDS	NON-EQUITY INCENTIVE PLAN COMPENSATION	PENSION VALUE	ALL OTHER COMPENSATION	TOTAL
James E. Buzzard	-	\$104,173.52	-	-	-	-	\$104,173.52
Robert Chevrier	-	\$419,090.49 ²	-	-	-	\$50,000 ³	\$469,090.49
André Courville	\$26,250.00	\$73,911.40	-	-	-	-	\$100,161.40
Patricia Curadeau-Grou	-	\$114,700.93	-	-	-	-	\$114,700.93
Jean Dulac	\$75,000.00	\$21,368.80	-	-	-	-	\$96,368.80
Jeffrey I. Hall	\$25,875.00	\$24,407.20	-	-	-	\$7,000 ⁴	\$57,282.20
John A. Hanna ⁵	-	\$61,577.09	-	-	-	-	\$61,577.09
Richard L. Keister	\$25,750.00	\$73,497.57	-	-	-	-	\$99,247.57
Richard G. Roy ⁶	\$10,125.00	\$8,375.00	-	-	-	-	\$18,500.00
Dennis M. Welvaert	\$39,250.00	\$61,315.24	-	-	-	-	\$100,565.24
TOTAL	\$202,250.00	\$962,417.24	-	-	-	\$57,000	\$1,221,667.24

¹ The column shows the dollar value of DSUs issued to the respective directors as at December 31, 2015. The DSUs are paid on a quarterly basis in lieu of a portion of the fees earned by the director. A minimum of one third of each director's quarterly allowance (\$5,000) is paid to the director in the form of DSUs. A director can, upon a request communicated by the last day of the fiscal year elect to modify the percentage of remuneration payable in the form of DSUs as of the immediately following fiscal year.

² Includes a special grant (related to his role in the sale of the assets of Uni-Select USA, Inc. and Beck/ArnleyWorldparts, Inc.) in the amount of \$150,000 made on July 31, 2015 which Mr. Chevrier elected to receive in the form of DSUs.

³ Includes a special grant (related to his role in the sale of the assets of Uni-Select USA, Inc. and Beck/ArnleyWorldparts, Inc.) in the amount of \$100,000 made on July 31, 2015 which Mr. Chevrier elected to receive in the form of a charitable donation made in his name to a charitable institution of his choice in the amount of \$50,000 for each of the 2015 and 2016 financial years, respectively.

⁴ Jeffrey I. Hall became a director of the Corporation on April 30, 2015. He attended the meetings of the Board of Directors and some of its committees on February 12, 2015 and April 29 and 30, 2015 (prior to his appointment) in order to facilitate his transition into his role as a member of the Board and its committees. He was paid an aggregate amount of \$7,000 for his attendance at those meetings.

⁵ John A. Hanna ceased to be a director of the Corporation on April 30, 2015.

⁶ Richard G. Roy only earned Board annual retainer and attendance fees for services rendered as a Board member after his retirement as President and Chief Executive Officer of the Corporation on July 31, 2015.

Aside from Mr. Roy, directors received no other form of compensation from the Corporation other than the compensation disclosed in the above table. Mr. Roy, President and Chief Executive Officer of the Corporation until his retirement on July 31, 2015, did not receive any compensation as a director of Uni-Select prior to his retirement. However, Mr. Roy did receive compensation as President and Chief Executive Officer of the Corporation as disclosed in Section 9 *Summary Compensation Table*.

The following table shows all awards of DSUs¹⁰ outstanding for each Director for the year ending December 31, 2015:

NAME	OPTION-BASED AWARDS				SHARE-BASED AWARDS		
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS	OPTION EXERCISE PRICE	OPTION EXPIRATION	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED ¹	MARKET OR PAYOUT VALUE OF VESTED SHARE-BASED AWARDS NOT PAID OUT OR DISTRIBUTED
	(#)	(\$)	DATE	(\$)	(#)	(\$)	(\$)
James E. Buzzard	-	-	-	-	10,242.92	691,602.15	N/A
Robert Chevrier	-	-	-	-	35,971.16	2,428,772.67	N/A
André Courville	-	-	-	-	2,282.94	154,143.82	N/A
Patricia Curadeau-Grou	-	-	-	-	7,970.68	538,180.37	N/A
Jean Dulac	-	-	-	-	2,441.94	164,879.44	N/A
Jeffrey I. Hall	-	-	-	-	388.78	26,250.55	N/A
John A. Hanna	-	-	-	-	-	-	N/A
Richard L. Keister	-	-	-	-	4,927.14	332,680.63	N/A
Richard G. Roy	-	-	-	-	124.04	8,374.98	N/A
Dennis M. Welvaert	-	-	-	-	3,975.38	268,417.69	N/A
TOTAL	-	-	-	-	68,324.98	4,613,302.30	N/A

¹ DSUs shall be redeemed upon certain redemption events. The number of DSUs is determined quarterly by dividing total fees earned in the quarter by the average closing price of the Common Shares traded on the TSX during the five (5) trading days immediately preceding the last day of each quarter.

The Corporation reimburses its directors for travel and other out-of-pocket expenses incurred in attending Board or committee meetings. With the exception of Mr. Roy, none of the directors are participants in any pension fund sponsored by Uni-Select nor do they receive any form of share-based compensation except for the DSUs.

The directors are insured by a Directors & Officers insurance policy. The premium of \$115,040.57 is paid by the Corporation.

¹⁰ Refer to Section 8.6 *Direct Remuneration – Short-Term Incentive Plan* for additional details concerning the Deferred Share Unit Plan.

6.5 | SUMMARY OF ATTENDANCE RECORD

The following table indicates the attendance record of each director for all Board and committee meetings held in 2015.

NAME	NUMBER OF MEETINGS ATTENDED IN 2015			
	BOARD (12 MEETINGS)	AUDIT COMMITTEE (5 MEETINGS)	CORPORATE GOVERNANCE AND NOMINATING COMMITTEE (4 MEETINGS)	HUMAN RESOURCES AND COMPENSATION COMMITTEE (6 MEETINGS)
James E. Buzzard ¹	12/12	N/A	4/4	6/6
Robert Chevrier ²	12/12	5/5	4/4	6/6
André Courville ³	12/12	5/5	2/2	N/A
Patricia Curadeau-Grou	12/12	4/5	N/A	6/6
Jean Dulac ⁴	12/12	N/A	2/2	6/6
Jeffrey I. Hall ⁵	3/3	2/2	N/A	N/A
John A. Hanna ⁶	8/9	3/3	2/2	N/A
Richard L. Keister ⁷	11/12	2/2	2/2	6/6
Richard G. Roy	12/12	N/A	N/A	N/A
Dennis M. Welvaert	12/12	N/A	4/4	6/6

¹ James E. Buzzard was appointed to the Corporate Governance and Nominating Committee in April 2015.

² Robert Chevrier is an ex-officio member of all committees.

³ André Courville was appointed to the Corporate Governance and Nominating Committee in April 2015.

⁴ Jean Dulac was appointed to the Corporate Governance and Nominating Committee in April 2015.

⁵ Jeffrey I. Hall was appointed as a director and named to the Audit Committee in April 2015.

⁶ John A. Hanna ceased to be a director in April 2015.

⁷ Richard L. Keister ceased to be a member of the Corporate Governance and Nominating Committee and was appointed to the Audit Committee in April 2015.

In 2015, the agendas for every regularly scheduled board and committee meeting provided for an in camera meeting, without any member of Uni-Select's Management being present. Depending on the requirements of the members, in camera board and committee meetings were held as warranted.

6.6 | BOARD DIVERSITY

Uni-Select recognises the benefits to the Corporation of diversity at all levels of its business, including at Board and management levels. With respect to Board composition, the Corporate Governance and Nominating Committee generally seeks to ensure that the Board is composed of directors with diverse backgrounds and personal characteristics and traits as well as competencies and expertise that add value to the Corporation and that each director will serve the Board to best discharge its responsibilities. When considering the appointment of new directors, the Committee takes into account the diversity of the Board, including the representation of women on the Board, and include amongst the candidates, individuals possessing a diverse mix of skills, knowledge and experience, as well as the independence of the Board members and the ongoing requirements of the Corporation. The Corporation has adopted a written policy regarding diversity on the Board. Amongst other things, the policy recognizes the importance of gender diversity, in particular, and acknowledges the important role that women, with appropriate and relevant skills and experience, can play in contributing to the diversity of perspectives on the Board of Directors. At the date of the adoption of the policy, the Board of Directors did not believe that quotas or measurable targets would necessarily result in the identification or selection of the best candidates. As a result, the Corporation has not established fixed targets regarding the representation of women on the Board of Directors. There is currently 1 woman on the Board, representing 11.1% of the current 9 directors. Following the Meeting and assuming all director nominees are elected, 2 out of 10 directors (20%) will be women. The Committee will review the policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board of Directors for approval.

6.7 | BOARD SUCCESSION AND SKILLS MATRIX

The Corporate Governance and Nominating Committee is responsible for identifying and recommending to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board. When recommending candidates to the Board, the Committee takes into consideration such factors as:

- 1 The competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
- 2 The individual competencies and skills of the candidate;
- 3 The size and composition of the Board and its committees;
- 4 The compatibility of each candidate with the other members of the Board; and
- 5 Whether or not each new nominee can devote sufficient time to his or her duties as a Board member.

In addition, judgment, independence, skill, diversity, experience with businesses and other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members and the extent to which the candidate would be a desirable addition to the Board and any committee of the Board is also considered. The Committee also considers legal and regulatory requirements applicable to the Corporation in respect of the composition of the Board and its committees.

The table below illustrates the current skills and experience of the nominees to the Board:

SKILL	DESCRIPTION	HENRY BUCKLEY	JAMES E. BUZZARD	MICHELLE ANN CORMIER	ANDRÉ COURVILLE	PATRICIA CURADEAU-GROU	JEAN DULAC	JEFFREY I. HALL	RICHARD L. KEISTER	RICHARD G. ROY	DENNIS M. WELVAERT
Senior Executive	Experience as a President, CEO or Senior Executive of a publicly-listed company or a major organization	■	■	■	■	■		■	■	■	■
Management and Leadership	Experience driving strategic direction and leading growth of an organization	■	■	■	■	■	■	■	■	■	■
Business Development/M&A/Strategic Planning	Management or executive experience with responsibility for identifying value creation opportunities	■	■	■	■	■	■	■	■	■	■
Financial Literacy	Experience in financial accounting and reporting and financing, particularly with respect to internal controls, Canadian GAAP and/or IFRS	■		■	■	■	■	■		■	■
Corporate Governance	Prior or current experience as a board member of a Canadian organization (public, private or non-profit)		■	■	■	■	■	■	■	■	■
Automotive Industry Knowledge	Operating, management, marketing or regulatory expertise in the automotive parts industry	■	■				■		■	■	■
Change Management	Experience leading a major organizational change or managing a significant merger	■	■	■	■	■		■	■	■	■
Health, Safety and Environmental Management	Understanding of the regulatory environment surrounding workplace health, safety, environment and social responsibility		■	■	■	■	■		■		■
Global Experience	Management or executive experience in a multi-national organization providing understanding of the challenges faced in a different cultural, political or regulatory environment	■		■	■	■		■	■	■	■
Human Resources	Senior Executive experience or board compensation committee participation with an understanding of compensation, benefits and pension programs, legislation and agreements, as well as expertise in executive compensation programs	■	■	■	■	■	■	■	■	■	■
Marketing	Senior Executive experience in an industry where consumer marketing is a critical component	■	■			■					■
Legal Expertise	Significant private practice or in-house experience advising within the public company environment										
Risk Evaluation	Management or executive experience in evaluation and managing the variety of risks faced by an organization	■	■	■	■	■	■	■	■	■	■
Real Estate	Senior Executive experience in real estate, whether commercial, residential, developmental or leasing		■			■		■			
Sustainable Development	Understanding the constituents of sound sustainable development practices and their relevance to corporate success		■	■	■	■	■	■	■		■
General Commercial Experience	A broad range of commercial/business experience in areas including communications, marketing, branding and business systems, practices and improvements	■	■	■	■	■	■	■	■	■	■

RETIREMENT AGE AND TERM LIMITS

The Board has a tenure policy which imposes a retirement age limit of 72 years (at the annual meeting) as well as a term limit of 15 years. The Board may waive the age limit of 72 years for incumbents who are, at the time of their initial election, over the age of 61.

The table below lists, for each current director, his or her outside retirement date based on the tenure policy and also indicates the board committees on which he or she serves. Mr. Chevrier intends to retire on April 28, 2016.

DIRECTOR	RETIREMENT YEAR	BOARD COMMITTEES
James E. Buzzard	2024	Corporate Governance and Nominating Human Resources and Compensation
Robert Chevrier	2016	Audit Corporate Governance and Nominating Human Resources and Compensation
André Courville	2025	Audit Corporate Governance and Nominating
Patricia Curadeau-Grou	2027	Audit Human Resources and Compensation
Jean Dulac	2022	Corporate Governance and Nominating Human Resources and Compensation
Jeffrey I. Hall	2029	Audit
Richard L. Keister	2018	Audit Human Resources and Compensation
Richard G. Roy	2023	-
Dennis M. Welvaert	2020	Corporate Governance and Nominating Human Resources and Compensation

7 | EXECUTIVE COMPENSATION RELATED FEES

In 2015, the Corporation retained the services of Towers Watson and Eckler. Towers Watson is an expert-consultation firm that provides independent advice on executive compensation. Eckler is an expert firm that provides the Corporation with independent advice on actuarial and group insurance. They are also responsible for the management on an annual basis of the Uni-Select pension funds. In 2015, Towers Watson was mandated to benchmark Senior Executive compensation with the market.

In 2012, Eckler was mandated to provide the Committee with advice and assistance with the integration of the New Supplemental Executive Retirement Plan for the Senior Executives nominated after July 1, 2012. In 2015, Eckler was mandated to assist the organization in capitalizing the Supplemental Executive Retirement Plan.

Total fees paid by the Corporation to Towers Watson and Eckler for services rendered in 2015 (as compared to 2014) are presented in the table below:

TYPE OF MANDATE	FEES PAID TO TOWERS WATSON & ECKLER FOR SERVICES RENDERED PERTAINING TO EXECUTIVE COMPENSATION	
	DECEMBER 31, 2015	DECEMBER 31, 2014
Executive compensation and benefits – related fees (Towers Watson)	\$69,899.00	\$3,141.79
All other fees (Pension – Eckler)	\$119,239.00	\$18,165.00
Total	\$189,138.00	\$21,306.79

7.1 | SENIOR EXECUTIVE RECRUITMENT

The Corporation seeks to increase the representation of women in executive officer positions but does not believe that this consideration should override the promotion of candidates who bring the necessary skills, competencies, knowledge and experience to the business. The Corporation continues its efforts in identifying more female candidates who meet these key selection criteria. Accordingly, the Corporation has adopted a written policy regarding diversity including the representation of women in Senior Executive positions. The policy ensures that gender diversity is recognized as a significant aspect of diversity and acknowledges the important role that women, with appropriate and relevant skills and experience, can play in contributing to the diversity of perspectives at the Senior Executive level. At the date of the adoption of the policy, the Board of Directors did not believe that quotas or measurable targets would necessarily result in the identification or selection of the best candidates. As a result, the Corporation has not established fixed targets regarding the representation of women in Senior Executive positions. The Corporate Governance and Nominating Committee will review the policy annually, which will include an assessment of the effectiveness of the Policy. The Committee will discuss any revisions that may be required and recommend any such revisions to the Board of Directors for approval.

Women comprise 67% of Uni-Select’s corporate office workforce, providing a significant pipeline to develop female leaders. Notwithstanding the low percentage of women in the automotive industry, overall, approximately 30% of the Canadian workforce of the Corporation is composed of women, while 18% of the US workforce is composed of women. Currently there is 1 woman in a Senior Executive position of the Corporation, representing 16.7% of Senior Executives of the Corporation.

8 | EXECUTIVE COMPENSATION DISCLOSURE & ANALYSIS

This Compensation Disclosure & Analysis report (“**CD&A**”) is prepared by the Human Resources and Compensation Committee (referred to in this Section 8 as the “**Committee**”).

8.1 | MANDATE OF THE COMMITTEE

The Committee assists the Board in fulfilling its responsibilities related to governance and the strategic oversight of the human capital of Uni-Select including organizational efficiency, the improvement of leadership and succession planning. The Committee is also responsible for conceiving and putting into place the remuneration policies and practices at Uni-Select, their harmonization with Uni-Select’s strategy of achieving a constant and durable return over the long term and for ensuring that Uni-Select’s remuneration programs do not entice undue risk taking.

PHILOSOPHY, POLICIES AND COMPENSATION PLANS, INCLUDING SHORT-TERM AND LONG-TERM INCENTIVE PLANS	Taking into account the direction of the Corporation, the Committee examines, approves and recommends to the Board the strategy to put in place for Senior Executives’ compensation. The Committee then administers compensation and benefit programs in accordance with the approved strategy.
EVALUATION OF THE PRESIDENT AND CHIEF EXECUTIVE OFFICER	Annually, the Committee recommends to the Board the compensation of the President and Chief Executive Officer and evaluates his performance against specific objectives. The Committee, within its mandate, takes into account the performance of the Corporation, shareholders’ return and the compensation offered for comparable positions at other corporations.
SUCCESSION PLANNING	The Committee ensures that the official succession plan is periodically updated for the Chief Executive Officer and other Senior Executives.
UNI-SELECT’S RETIREMENT FUNDS AND PENSION PLANS	The Committee ensures that it is well-informed on the return on investments, the important risks related to the governance structure of Uni-Select’s pension plans and other related pension plans.

RISKS RELATED TO COMPENSATION AND HUMAN RESOURCES	At least once per year, the Committee examines all the risks related to remuneration. This includes a review of the compensation philosophy, the features of the incentive program, an evaluation of performance and a review of the various governance elements in place to manage compensation.
INDEPENDENCE FROM THE COMMITTEE	The majority of the members meet the independence criteria approved by the Board.

8.2 | EXPERTISE OF THE COMMITTEE

The members of the Committee have various experiences and most of them have a thorough understanding of principles and policies underlying executive compensation decisions that was acquired, among other things, through experience as a Senior Executive of large publicly-traded corporations or as a former president and chief executive officer of a publicly-traded corporation.

They have, therefore, acquired thorough knowledge of the most important subjects related to executive compensation such as the review of compensation contracts, leadership and succession planning, the development of incentive plans, the analysis of the compensation market, the financial analysis of compensation plans, pension fund administration, the regulatory environment and the negotiation of employment conditions.

EXECUTIVE COMPENSATION POLICY OBJECTIVE

The Corporation’s executive compensation policy aims to attract and retain competent individuals and motivate them to optimize value for the Corporation’s shareholders. The compensation is designed to be competitive and to stimulate a profitable return on investments and long-term growth.

The Corporation’s compensation policies and practices are designed to adequately reward Senior Executives for their services, and to encourage them to establish short-term and long-term strategies for increasing share value and creating economic wealth. The Corporation’s strategy, therefore, places the emphasis on compensation elements linked to performance, including share value through stock option grants.

EXECUTIVE COMPENSATION STRUCTURE REVIEW

In 2015, Towers Watson, an expert consulting firm that provides independent advice on executive compensation and related governance questions, was appointed by the Committee to provide assistance with the Executive Compensation Structure Review (“**2015 Review**”). The 2015 Review encompassed a market compensation competitiveness analysis for the CEO, the CFO, Senior Executives as well as thirteen other management positions in Canada and the United States.

The Corporation’s compensation practices were, therefore, compared to a comparative group, approved by the Committee. The comparative group is composed of 28 Canadian and U.S. companies (“**Comparative Group**”) conforming to, at least, one of the following criteria:

- 1 Companies operating in the auto parts (aftermarket distribution sector), equipment and machinery industries;
- 2 Companies acting mainly in the distribution sector;
- 3 Companies having similar organizational features (i.e. operating a large number of stores, North American presence and a distribution network, low margin, etc.);
- 4 Companies of similar size;
- 5 Participants in Towers Watson’s 2015 Compensation Data Bank (CDB™) or publicly-traded organizations where compensation for the top 5 paid executives can be found in management information circulars;
- 6 Composed 50% of Canadian-based companies and 50% of US-based companies;

- 7 Companies based in the same country as the executive team; and
- 8 Composed of autonomous publicly-traded companies.

The Corporation does not use the data compiled from the Comparative Group for any purpose other than for the comparison of Senior Executive compensation practices against those of the Comparative Group. The Committee weighs the comparison as an important factor in setting compensation.

COMPARATIVE GROUP	
USA	CANADA
Aaron's, Inc.	BMTC Group Inc.
Arctic Cat Inc.	Catalyst Paper Corporation
Blount International	Cervus Equipment Corporation
Brembo	Kal Tire
Cooper Standard Automotive	Reitmans Canada Ltd.
Dorman Products, Inc.	Richelieu Hardware Ltd.
G&K Services	Rona Inc.
Pep Boys – Manny, Moe & Jack	Staples Business Depot
Snap-On Incorporated	Toromont Industries
Standard Motor Products Inc.	Taiga Building
TimkenSteel Corporation	Univar Canada
The Toro Company	UAP Inc.
Tritan Machinery, Inc.	Wajax Corporation
Vesuvius	Woodbridge

2015 REVIEW – SUMMARY OF THE FINDINGS

In general, the total direct compensation of Uni-Select's Senior Executives was found to be at the median range of the Comparative Group and a gap with the Comparative Group median of over 10% below was observed for 5 Executives.

8.3 | SUMMARY OF SENIOR EXECUTIVES COMPENSATION ELEMENTS

The following table presents the key components of Senior Executive compensation, whether such components represent a direct or indirect remuneration.

DIRECT REMUNERATION			
SHORT-TERM		MEDIUM/LONG-TERM	
Base salary		Deferred Share Unit & Performance Share Unit Plans	Stock Option Plan
Annual group bonus	Annual individual bonus		
INDIRECT REMUNERATION			
Group medical insurance and benefits		Pension Plan	

SHARE OWNERSHIP GUIDELINES

The interests of the Senior Executives are further aligned with shareholder interests through stock ownership requirements. The Committee adopted Share Ownership Guidelines ("SOG") in early 2013 that require minimum levels of share ownership, based on each Senior Executive's position and salary. Senior Executives are required to own Shares having an aggregate value equal to:

- 1 Three times his or her annual base salary for the CEO;
- 2 Two times his or her annual base salary for the COO;
- 3 One and a half times his or her annual base salary for the President and COOs, CFO, EVPs or Senior VPs of business units; and
- 4 His or her annual base salary for VPs of the Corporation.

There is no time limitation to meet Share ownership targets. However, until target ownership is reached, Senior Executives must:

- i) retain 50% of the number of Shares obtained after payment of applicable taxes when issued from time to time under the terms of the Stock Option Plan; and
- ii) elect to receive in DSUs no less than 30% (or, in certain circumstances 20%, as described in Section 8.6) of the value of short-term bonus.

The SOG shall not apply to a Senior Executive following his or her retirement. Furthermore, Shares held of record or in brokerage accounts and Deferred Share Units count towards ownership. For the purpose of assessing ownership levels, compliance is calculated as at December 31st of each year based on the average closing price of the Shares over the last five business days.

As at December 31, 2015, 2 of the Named Executive Officers currently employed by the Corporation (refer to Section 8.4), namely Steve Arndt and Gary O'Connor, have reached the minimum level under the SOG.

8.4 | NAMED EXECUTIVE OFFICERS

This CD&A focuses on the compensation paid to the Senior Executives listed below (also identified as the “**Named Executive Officers**” or the “**NEOs**”), during the financial year ended December 31, 2015. The Named Executive Officers include the Chief Executive Officer, the Chief Financial Officer and the three most highly compensated Senior Executives, as well as the former Chief Executive Officer and former Chief Financial Officer, taking into account their total compensation (excluding pensions). The NEOs are:

- 1 Henry Buckley, President and Chief Executive Officer;
- 2 Eric Bussièrès, Chief Financial Officer;
- 3 Steve Arndt, President and Chief Operating Officer, FinishMaster, Inc.;
- 4 Gary O'Connor, President and Chief Operating Officer, Automotive Canada;
- 5 Louis Juneau, Chief Legal Officer and Corporate Secretary;
- 6 Richard G. Roy, Former President and Chief Executive Officer; and
- 7 Denis Mathieu, Former Executive Vice President, Corporate Services and Chief Financial Officer.

On July 31, 2015, Mr. Roy retired as President and Chief Executive Officer and Mr. Mathieu stepped down as Executive Vice President, Corporate Services and Chief Financial Officer. Mr. Buckley became the President and Chief Executive Officer on August 1, 2015. Prior to that, he was Chief Operating Officer. Bussièrès became the Chief Financial Officer on November 30, 2015.

8.5 | DIRECT REMUNERATION – BASE SALARY

The base salary component of NEO compensation aims to reflect salaries offered for positions involving similar responsibilities and complexity, hierarchical level, as well as the ability and experience of the NEO. The base salary for each NEO is revised annually. Base salary does not fluctuate in relation to the performance of the Corporation or NEO, and the compensation is paid as long as the NEO remains employed with Uni-Select. The Corporation generally sets the base salary for NEOs at the median of the Comparative Group.

8.6 | DIRECT REMUNERATION – SHORT-TERM INCENTIVE PLAN

ANNUAL BONUS

The Short-Term Incentive Plan is comprised of an annual bonus based on the level of achievement of:

- 1 financial indicators of the Corporation; and
- 2 specific or non-financial measures.

The Short-Term Incentive Plan aims to encourage the achievement of financial performance targets and equitably reward Senior Executives who distinguish themselves by their contribution. It ensures a balance between individual performance, financial performance and compensation and allows the compensation of the Senior Executives to vary according to the level of achievement of specific objectives.

	PRESIDENT AND CHIEF EXECUTIVE OFFICER (HENRY BUCKLEY AND FORMERLY RICHARD G. ROY)			OFFICER OF A DIVISION AND FORMER CHIEF FINANCIAL OFFICER (STEVE ARNDT, GARY O'CONNOR AND FORMERLY DENIS MATHIEU)			CHIEF FINANCIAL OFFICER (ERIC BUSSIÈRES)			CHIEF LEGAL OFFICER AND CORPORATE SECRETARY (LOUIS JUNEAU)		
	Target Bonus %		Maximum Bonus %	Target Bonus %		Maximum Bonus %	Target Bonus %		Maximum Bonus %	Target Bonus %		Maximum Bonus %
Short-Term Incentive	Financial Objective	Specific Objective		Financial Objective	Specific Objective		Financial Objective	Specific Objective		Financial Objective	Specific Objective	
Total Target and Maximum Bonus	80%	10%	150%	50%	10%	100%	50%	10%	100%	40%	10%	85%
Deferral of Annual Bonus (DSUs)	Mandatory deferral of 30% (20% for executives hired prior to July 1, 2012) of Bonus Payout in DSUs until the minimum ownership described in the SOG is met											
Short-Term Incentive Plan Payout Grid (2015)	Target objective at 10% growth over last year with threshold at 2.5% above last year, 30% of additional EBT shared with executives when growth is between 10% to 15% and 50% of additional EBT shared with executives when growth above 15% (subject to maximum above)											
Long-Term Incentives (as a % of base salary)	137%			75%			55%			45%		
Stock Options (Vesting over 3 years – Term 7 years)	68.5%			37.5%			27.5%			N/A		
Performance Share Units (Vesting: 3-year cliff-vesting)	68.5%			37.5%			27.5%			45%		
PSU Performance Measure	3-year Average Return on Shareholders' Equity											
Share Ownership Guideline (as a multiple of base salary)	3.0x			1.5x			1.5x			1.0x		

FINANCIAL OBJECTIVE BONUS

The bonus is based on the achievement of annual financial objectives and allows Senior Executives to participate in the financial success of the Corporation. The Board of Directors, with the assistance of the Human Resources and Compensation Committee, determines a scale and parameters of achievement which corresponds to a bonus determined as a percentage of base salary, as well as the maximum bonus amount that would be paid to each Senior Executive should the target be exceeded.

Considering the divestiture of the assets of Automotive USA on June 1, 2015, financial performance for 2015 was based on the level of achievement of the target adjusted earnings before taxes¹¹, excluding the impact from exchange rate fluctuations (“**Adjusted EBT**”). Under the Short-Term Incentive Plan, a bonus based on the financial objective can only be paid if the target Adjusted EBT is met. This Plan is designed to provide Uni-Select’s Senior Executives with an incentive to increase the profitability and growth of the Corporation.

Under the 2015 Short-Term Incentive Plan, the Board of Directors set the minimum Adjusted EBT at an amount which was 2.5% higher than the previous year¹¹ to allow a bonus payment based on the financial objective.

SPECIFIC OBJECTIVES

A second component of the bonus allocated to Senior Executives is based on the attainment of specific personal or divisional objectives, or non-financial measures. A specific objective may not be attained or may be partially or totally attained. The allocated bonus under the specific objectives component may vary from 0% of base salary to 10% of base salary depending on the nature of the specific objective, its impact on the Corporation, the operations on which the Senior Executive has an influence and any objective the Board wishes to promote.

DEFERRED SHARE UNIT PLAN

To align the interests of the Senior Executives with shareholder interests, the Corporation has a policy that requires minimum levels of Share ownership, based on each Senior Executive’s position and salary. Until targeted ownership is reached as described in the SOG (refer to Section 8.3 *Summary of Executive Compensation Elements*), designated Senior Executives (“**Beneficiary**”) must elect to receive no less than a pre-determined percentage of the value of his short-term bonus in Deferred Share Units (“**DSUs**”) as provided under the Deferred Share Unit Plan (“**DSU Plan**”). The SOG shall not apply to the Senior Executives in the event of his or her retirement.

The DSU Plan has been in force since January 1, 2013 for Senior Executives.

VALUE OF SHORT-TERM BONUS AWARDED IN DSUs until such time as minimum holding requirements are met	
Senior Executives appointed prior to July 1, 2012	Senior Executives appointed on or after July 1, 2012
No less than 20% of the short-term bonus	No less than 30% of the short-term bonus

CALCULATION METHOD – NUMBER OF DSUs	
$\frac{\text{Portion of short-term bonus for which Senior Executive elects to be awarded DSUs}}{\text{DSU Value}^1} = \text{Number of DSUs}$	

¹ The DSU Value is equal to the average closing price at which the Shares were traded on the TSX for the five (5) trading days prior to the date of the meeting of the Board of Directors on which the short-term bonuses are approved.

¹¹ These adjustments include, among other things, restructuring and other charges, impairment and transaction charges related to the sale of net assets, net gains on the purchase of the remaining interests in joint ventures, the non-capitalizable costs related to the development and implementation of the ERP system and costs related to the closure and disposal of stores.

If and when dividends in cash are paid on the Shares, Beneficiaries shall be credited with dividend equivalents in respect of DSUs granted as of the date each such dividend is paid by the Corporation. Such dividend equivalents shall be converted into additional DSUs (including fractional DSUs based on the DSU Value on the date each such dividend is paid).

DSU REDEMPTION

DSUs shall be redeemed by the Corporation:

- 1 as soon as practicable upon (i) termination of a Senior Executive, (ii) termination of the DSU Plan upon a change in control, (iii) termination of the DSU Plan with respect to all U.S. Senior Executives affected by such change in control;
- 2 within 90 days of the death of a Beneficiary; or
- 3 within the one-year period immediately following the retirement of a Beneficiary.

(Each such event is referred to as a “**Redemption Event**” and the date on which such event occurs is referred to as a “**Redemption Date**”.)

Upon the occurrence of a Redemption Event (and only upon such occurrence), the Corporation shall remit an amount in cash equal to the DSU Value as at the Redemption Date of all, but not less than all, DSUs credited to the Beneficiary, less applicable taxes. The DSUs credited to the account of such Beneficiary shall not represent any right other than the right to receive the amount in cash and such DSUs will be automatically cancelled following the full payment of such amount.

8.7 | DIRECT REMUNERATION – LONG-TERM INCENTIVE PLAN

Uni-Select currently has two long-term incentive plans which are:

- 1 The Stock Option Plan; and
- 2 The Performance Share Unit Plan (“**PSU Plan**”).

STOCK OPTION PLAN

The Stock Option Plan was first adopted and became effective as of September 30, 1985. It was thereafter amended several times, including at the Corporation’s annual meeting of shareholders held on May 8, 2012. With the prior approval of the TSX obtained on December 22, 2015, the Board of Directors approved changes to the Stock Option Plan (“**2015 Plan Amendments**”), the whole pursuant to section 14.1 of the Stock Option Plan. The changes to the Stock Option Plan, which are described below, did not require the approval of the holders of the outstanding Shares of the Corporation under the terms of the Stock Option Plan.

The Stock Option Plan grants management employees and officers of the Corporation (“**Beneficiary**”) options to purchase Shares directly from the Corporation.

Options are granted to Executive Officers of the Corporation as an incentive to attract and retain individuals with experience and ability.

STOCK OPTION PLAN PURPOSES

- 1 To stimulate the productivity of management employees thus furthering the growth and development of the Corporation; and
- 2 To assist the Corporation in retaining and attracting Senior Executives with experience and ability.

STOCK OPTION PLAN MANAGEMENT

The Stock Option Plan is managed by the Board or the Committee. The Board or the Committee, as the case may be, has full and complete authority relating to the interpretation and the application of the Stock Option Plan, its provisions and purposes. It may adopt any measure it judges necessary or advisable for the management of the Stock Option Plan.

- 1 The Board shall, from time to time, designate the Beneficiaries and the number of Shares to be covered by an option;
- 2 All options granted must be in compliance with the requirements of the TSX;
- 3 The number of Shares that may be issued pursuant to the exercise of options shall not exceed, subject to adjustments pursuant to the Stock Option Plan, 1,700,000 Shares, representing approximately 8% of all outstanding Shares as of the date hereof, or any higher number approved by a resolution of the Board of Directors subject to the amendment provisions of the Stock Option Plan (including shareholder approval);
- 4 All Shares subject to options that have expired, without being exercised, shall be available for any subsequent options under the Stock Option Plan; and
- 5 A Beneficiary shall not hold options covering more than 5% of the outstanding Shares. The aggregate number of Shares issuable to insiders of the Corporation under the Stock Option Plan and any other security-based compensation arrangement of the Corporation, at any time, shall not exceed 10% of the total issued and outstanding Shares. Furthermore, the aggregate number of Shares issued to insiders of the Corporation, within any one year period, shall not exceed 10% of the total issued and outstanding Shares, while the maximum number of Shares that may be issued to any one insider under the Stock Option Plan and any other share compensation arrangement (within the meaning of the Option Plan) within a one-year period shall not exceed 5% of the number of Shares outstanding.

STOCK OPTION PRICE

The option price per share is equal to the average closing price at which the Shares were traded on the TSX for the five (5) trading days prior to the date of granting of the options.

OPTIONS VESTING

Options are vested by increments of 25% of the number of shares granted for each consecutive 12-month period, with the first period commencing on the date of the grant of the options.

Following the 2015 Plan Amendments, the exercisable period for all options held by a Beneficiary who retired at the retirement age (within the meaning ascribed to these terms in the Stock Option Plan) shall be accelerated and all Options then held by the Beneficiary shall become fully vested and the rights thereto acquired by the Beneficiary ninety (90) days after the date of his retirement; the option period for the options held by such Beneficiary shall expire ninety (90) days thereafter. Prior to the 2015 Plan Amendments, the Stock Option Plan provided that accelerated vesting was possible for a Beneficiary who had not exercised his option within the twelve (12) month period beginning on the date of his retirement at the retirement age. In that case, the exercisable period for all options held by such Beneficiary was accelerated and all options then held by the Beneficiary became fully vested and the rights thereto acquired by the Beneficiary on the first (1st) anniversary date of his retirement.

Also, a “cashless” mechanism allows for the Beneficiary to ask that the Corporation sell the Shares underlying his options on his behalf in order to retain an amount equal to the exercise price of the options and pay the difference to the Beneficiary, less any applicable withholding taxes.

EXERCISABLE OPTIONS AND OPTIONS VESTING PERIOD

The period during which an option is exercisable and the vesting of options shall be determined by the Board of Directors or the Committee but shall not, subject to the provisions of the Stock Option Plan, commence earlier than the date of granting of the option and shall not exceed seven (7) years.

If the term of an option expires during or within ten (10) business days after the expiration of a Blackout Period, then the term of such option or the unexercised portion thereof, shall be extended by ten (10) business days after the expiration of the Blackout Period. For the purposes of the Stock Option Plan, “Blackout Period” means any period during which a policy of the Corporation prevents a Beneficiary from exercising an option. No Option or any interest therein shall be assignable by the Beneficiary other than by will, the law of succession or estate settlement purposes.

Upon a Beneficiary’s employment with the Corporation being terminated for fraud or willful misconduct or neglect, the option period for options then outstanding and all the rights therefrom shall expire on the date of such dismissal.

Upon the termination of (other than for causes stated above) or upon voluntary departure or resignation of the Beneficiary from his employment with the Corporation, or any of its subsidiaries or a Corporation which is an affiliate of the Corporation within the meaning of the Securities Act (Québec), as the case may be, the option period for options then outstanding shall expire on the 90th day following such termination of employment, resignation or voluntary departure or on such later date as the Board of Directors or Committee may set (but no later than the expiry date first established by the Board of Directors or Committee).

Following the 2015 Plan Amendments, if a Beneficiary retires from his employment at the retirement age, the option period for options then outstanding shall expire 180 days after the date of his retirement or on such later date as the Board of Directors or Committee may set (but no later than the expiry date first established by the Board of Directors or Committee). Prior to the 2015 Plan Amendments, the Stock Option Plan provided that if a Beneficiary retired from his employment at the retirement age, the option period for options then outstanding expired 14 months after the date of his retirement or on such later date as the Board of Directors or Committee set (but no later than the expiry date first established by the Board of Directors or Committee).

Also, should a Beneficiary die, either before or after retirement, the option period for options then outstanding shall expire 12 months after the date of death (but no later than the expiry date first established by the Board of Directors or Committee).

Finally, unless the Board of Directors or the Committee decides otherwise, in the case of a Beneficiary with less than one (1) year of service within the Corporation at the date of the grant of the option, the option period shall begin no earlier than the first (1st) anniversary of the start of his employment, and if such employment terminates for any cause other than death prior to such first (1st) anniversary, the option period shall expire on the date of such termination of employment. The Beneficiary loses all rights under an option which is not exercised prior to the expiry date; he also loses his rights if the option period has not commenced prior to the date of his death or of the termination of his employment with the Corporation.

STOCK OPTION PLAN AMENDMENT OR TERMINATION

Subject to the prior approval of the TSX or any other regulatory body requiring similar approval, the Board of Directors may at any time and from time to time, amend, suspend or terminate the Stock Option Plan in whole or in part without the approval of the holders of the outstanding Shares (but subject to matters specifically requiring the approval of holders of the outstanding shares as described below), including amendments to:

- 1 The Stock Option Plan for any purpose, including (a) changing the terms on which options may be granted and exercised including, without limitation, the provisions relating to exercise price, vesting, expiry date, assignment and the adjustments to be made pursuant to the Stock Option Plan, provided the Board of Directors may not reduce the exercise price of options previously granted; (b) making any addition to, deletion from or alteration of the provisions of the Stock Option Plan that are necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange; (c) correcting or rectifying any ambiguity, defective provision, error or omission in the Stock Option Plan; and (d) changing the provisions relating to the administration of the Stock Option Plan, provided that no such amendment, suspension or termination of the Stock Option Plan by a decision of the Board may, without the consent of Beneficiaries to whom options shall theretofore have been granted, adversely affect the rights of such Beneficiaries; or
- 2 Any term of any outstanding option, provided that (a) any required approval of any regulatory authority or stock exchange is obtained; (b) if the amendments would reduce the determination of the exercise price for options not previously granted or extend the expiry date of options granted to insiders, other than as authorized pursuant to the Stock Option Plan, approval of the holders of a majority of the Shares present and voting in person or by proxy at a meeting of shareholders of the Corporation must be obtained; (c) the Board of Directors would have had the authority to initially grant the option under the terms as so amended; and (d) the consent or deemed consent of the Beneficiary of the option is obtained if the amendment would materially prejudice the rights of the Beneficiary of the option.

Notwithstanding the foregoing, the Board of Directors may not, without the approval of the holders of a majority of the Shares present and voting in person or by proxy at a meeting of shareholders of the Corporation, make amendments to the Stock Option Plan for any of the following purposes:

- 1 To materially increase the benefit accruing to Beneficiaries under the Stock Option Plan;
- 2 To modify the requirements as to eligibility for participation under the Stock Option Plan;
- 3 To increase the maximum number of Shares that may be issued pursuant to options granted under the Stock Option Plan;
- 4 To reduce the exercise price of options to less than the price established following the method provided for under the Stock Option Plan or to cancel and reissue options;
- 5 To reduce the exercise price of options for the benefit of an insider;
- 6 To extend the expiry date of options for the benefit of an insider;
- 7 To permit the introduction or reintroduction of non-employee directors on a discretionary basis or to increase limits previously imposed on non-employee director participation;
- 8 To increase the maximum number of Shares issuable pursuant to the Stock Option Plan;
- 9 To permit options granted under the Stock Option Plan to be transferable or assignable other than by will or the law of succession or estate settlement purposes; and
- 10 To amend the amendment provision of the Stock Option Plan.

PERFORMANCE SHARE UNIT PLAN

The PSU Plan has been in force since January 1, 2013.

PSU PLAN PURPOSE

- 1 To encourage the retention of Senior Executives (a “Beneficiary”);
- 2 To provide alignment between performance compensation and the achievement of the strategic plan of the Corporation;
- 3 To provide Senior Executives with an incentive to create economic value for the shareholders of the Corporation; and
- 4 To align the interests of Senior Executives with those of the shareholders.

PSU PLAN MANAGEMENT

The PSU Plan is managed by the Board.

- 1 The Beneficiaries of the PSU Plan are selected by the Board, from time to time;
- 2 The Board awards PSUs annually in the last quarter of the year applicable to the 3 years beginning the next January (“Performance Period”);
- 3 The Board sets the performance objective applicable to the PSUs; and
- 4 The PSU does not confer any shareholder rights.

ANNUAL PSU ATTRIBUTION

CALCULATION METHOD – NUMBER OF PSUs		
Beneficiary base salary	X	Target percentage ¹

PSU value ²		

¹ The Target Percentages for the NEOs are: Henry Buckley 68.5% (68.5% for 2016), Eric Bussières N/A³ (27.5% for 2016), Steve Arndt 37.5% (37.5% for 2016), Gary O’Connor 37.5% (37.5% for 2016), Louis Juneau 45% (45% for 2016), Richard G. Roy 68.5% (N/A⁴ for 2016), Denis Mathieu 37.5% (N/A⁵ for 2016).

² Average closing price at which the Shares were traded on the TSX for the five (5) trading days prior to the date of the award of the PSUs.

³ Mr. Bussières was named Chief Financial Officer effective November 30, 2015 and is eligible to the PSU Plan as of 2016.

⁴ Mr. Roy retired as President and Chief Executive Officer on July 31, 2015.

⁵ Mr. Mathieu stepped down as Executive Vice President, Corporate Services and Chief Financial Officer on July 31, 2015.

PERFORMANCE OBJECTIVE APPLICABLE TO THE PSUs

The Board sets the performance objective (return on equity) applicable to the PSUs.

PERFORMANCE OBJECTIVE CALCULATION		
Market rate Canada Savings Bonds (10-year maturity) for the month of November immediately preceding the beginning of the Performance Period	+	9%

The Performance Share Unit Plan is a method of payment to Executive Officers if certain performance criteria are met. The value of these units fluctuates with the price of the Uni-Select shares on the market. They are redeemed at the end of each performance period which lasts 3 years.

The percentage attributed to the Return on Equity obtained by the Corporation during the Performance Period applicable to each PSU (“**Performance Factor**”) represents 100% when the performance objective is met, a lesser percentage when the Corporation fails to meet the performance objective and exceeds 100% in the event the performance objective is exceeded.

PSU REDEMPTION

PSUs are redeemed by the Corporation upon one of the following events (“**Redemption Event**”) and on the date described below (“**Redemption Date**”):

- 1 As soon as practicable upon (i) a change in control, (ii) termination of the PSU Plan with respect to all U.S. Participants affected by such change in control and the regulations thereunder, (iii) at the end of each Performance Period. Redemption date for the end of the Performance Period is six (6) days after the Board’s approval of the Corporation’s financial statements; or
- 2 Within 90 days of a Redemption Event described below that occurs no later than on July 1st on the plan year or 90 days following the end of a plan year if the Redemption Event occurs after July 1st: the disability of the Senior Executive becomes a total disability according to the rules provided under the applicable group insurance coverage of the Corporation, the death of a Senior Executive and the retirement date in the event of retirement of a Senior Executive.

Upon the occurrence of a Redemption Event and as of the Redemption Date, the Corporation shall remit or cause to be remitted to the Beneficiary (or his estate) an amount in cash equal to: the applicable number of PSUs multiplied by the Performance Factor multiplied by the PSU Value at Redemption Date which is equal to the average closing price at which the Shares were traded on the TSX for the five (5) trading days immediately preceding the day on which the PSU Value is to be determined, less applicable withholding taxes.

If the Redemption Event occurs at any time other than on the last day of a plan year, the number of PSUs of the Beneficiary shall be prorated on the basis of (i) the number of completed plan years for each Performance Period and (ii) for uncompleted plan years, the sum of days from the beginning of the plan year to the Redemption Date divided by 365. Notwithstanding the foregoing, any benefit payable to a U.S. participant who is a specified employee shall be delayed and consistent with the requirements of Code Section 409A and the requirements thereunder, as may be necessary, except that in no event shall the payment of the benefit be delayed beyond the end of the calendar year following the year of retirement or termination.

Upon the occurrence of a Redemption Event, with respect to a particular Beneficiary, the PSUs credited to the account of such Beneficiary shall not represent any right other than the right to receive the amount in cash determined, and such PSUs will be automatically cancelled following the full payment of such amount. Save in the case of the occurrence of a Redemption Event, any PSU that is not vested because a Beneficiary is not an employee of the Corporation as of the Redemption Event is canceled. Upon termination, a Senior Executive loses the right to all unvested PSUs.

PSU PLAN AMENDMENT OR TERMINATION

The PSU Plan may be amended or terminated (including without limitation to suspend or limit the right of a Senior Executive to elect to participate in the plan) at any time and from time to time by the Board provided that any such amendment or termination does not in any way infringe upon any rights of Senior Executives in respect of PSUs previously credited to the account of a Senior Executive. Where the PSU Plan is terminated, the PSUs will remain outstanding until a Redemption Event, unless a change in control has occurred and the Board determines, in good faith, in terminating the PSUs due to the change in control, it would not be appropriate for the PSUs to remain outstanding, and their termination should constitute a Redemption Event.

8.8 | INDIRECT REMUNERATION

PENSION PLAN

The Corporation offers pension benefits to its Canadian employees through a basic registered pension plan (defined benefit pension plan), a registered pension plan for Senior Executives and a non-registered supplemental pension plan for certain Senior Executives.

PENSION PLANS	
Senior Executives who joined the plan prior to July 1, 2012	Senior Executives who joined the plan on or after July 1, 2012
Registered defined benefit pension plan	Registered defined contribution plan
Non-registered defined benefit supplemental pension plan	Non-registered defined contribution plan

The annual benefits payable under the defined benefit plans are based on the member's final average earnings at year end and on projected credited service; it is assumed, for purposes of determining the annual benefits payable at year end, that the member will satisfy the vesting conditions under the supplemental plan (i.e. the Senior Executives will have attained at least age 55 and completed at least 5 years of credited service at the time of his or her retirement). The assumptions used in preparing the information presented in the table at Section 9.7 are identical to those used for purposes of calculating the accrued obligation as at December 31, 2015 that are reflected in the audited financial statements for the year ending as at that date. These assumptions include a projected annual salary increase of 3.50% per annum and a discount rate of 3.95% per annum. Under the defined benefit pension plans applicable to Senior Executives who joined prior to July 1, 2012, each NEO may receive full pension benefits, without actuarial reduction, upon reaching the age of 60. Pension benefits presented in the table at Section 9.7 *Table of Value of the Pension Plan* include the aggregate of the benefits under the basic plan, the Senior Executives' registered plan and the supplemental plan.

In the event of a change of control of the Corporation, all benefits accrued to the beneficiaries of the plans mentioned above in respect of his or her year of credited service up to the date of a change of control become fully vested.

Employees in the United States participate in a registered plan pursuant to the Internal Revenue Code commonly referred to as a 401(k) plan ("**401(k) Plan**"). The 401(k) Plan allows participants to save for retirement and defer income taxes on earnings until retirement. The Corporation matches 50% of each participant's contributions into the 401(k) Plan up to a maximum of 3% of base salary; the Senior Executives participate in a supplementary retirement plan for which the Corporation matches the executives' contributions up to a maximum of \$15,000 USD.

Designated Senior Executive of FinishMaster, Inc. is participating in the defined contribution non-qualified program providing for annual Corporation contributions equal to 10% of base salary, inclusive of any contributions made by the Corporation to any other Corporation-sponsored pension arrangements.

GROUP INSURANCE AND BENEFITS

As with the Corporation's other employees, the Senior Executives benefit from personal insurance (medical¹², dental, long-term disability insurance, life insurance, annual executive physical exam), privileges to purchase parts distributed by the Corporation for personal use and other benefits offered by the Corporation to its employees.

¹² The medical plans in the USA were reviewed to comply with the health care reform regulations.

8.9 | PERFORMANCE ASSESSMENTS

The Committee makes recommendations to the Board of Directors on the compensation for the Senior Executives of Uni-Select, submits to the Board the short-term and long-term incentive plan objectives, both financial and specific, and approves the evaluation submitted for the performance of each NEO. The Board is the final authority on compensation matters for the NEOs of Uni-Select and on policy changes related to compensation.

The President and Chief Executive Officer submits the objectives that he is expected to achieve and against which his performance is assessed by the Chair of the Board and, as part of the Executive Management Team, each NEO completes the same process with the President and Chief Executive Officer. All objectives are reviewed by the Committee and submitted to the Board for consideration.

The Chair of the Board conducts the assessment of the President and Chief Executive Officer who, in turn, assesses each NEO's individual performance against their respective objectives. The Chair and the President and Chief Executive Officer submit their assessments to the Committee which, in turn, submits recommendations to the Board for approval. The NEOs do not play a role in their compensation determination, other than discussing their individual performance against their predetermined objectives.

The Committee relies on quantifiable measures and its own judgment to compensate NEOs. The determination of the level of achievement of specific objectives that are not quantifiable requires the personal assessment by the members of the Committee; the Committee believes that solely using quantifiable measures will not allow an adequate evaluation of performance of a Senior Executive, and a more effective method would be to use both quantifiable objectives and objectives which require a personal evaluation. The Committee ensures that the overall compensation to the NEOs reflects the guiding principles listed earlier in this CD&A and remains aligned with the financial performance of the Corporation.

All NEOs are assessed either by the President and CEO or the Chair of the Board. The Board is the final authority on compensation matters for the NEOs.

8.10 | EMPLOYMENT CONTRACTS, TERMINATION AND CHANGE OF CONTROL BENEFITS

The Corporation entered into an employment agreement with Mr. Buckley in July 2014. According to this agreement, in the event his employment is terminated by the Corporation without cause, Mr. Buckley will receive a severance payment representing eighteen (18) months of his global compensation (base salary, targeted short-term incentive plan, long-term incentive plan and car allowance). Also, in the event that the Corporation is subject to a change of control and, within twelve (12) months of such change of control, Mr. Buckley resigns from his employment, Mr. Buckley will receive severance payment representing eighteen (18) months of his global compensation. The agreement includes non-competition and non-solicitation (customers and employees) undertakings by Mr. Buckley for a period of twelve (12) months after termination along with confidentiality undertakings. The estimated required severance payment to Mr. Buckley in either of the above scenarios is \$3,349,774.¹³

¹³ Based on information as at December 31, 2015.

The Corporation has entered into agreements with the other NEOs that grant them benefits in the event of a change of control¹⁴ of the Corporation and the termination of employment¹⁵ within eighteen (18) months following the change of control. No specific benefit applies in the case of a change of control of the Corporation without a subsequent termination of employment. These agreements will expire in February 2020 and include non-competition and non-solicitation (customers and employees) undertakings by the NEOs for a period of twenty four (24) months after termination along with confidentiality undertakings. The severance payment represents twenty four (24) months of the NEO's annual earnings (base salary, targeted short-term incentive plan, pension plan contribution and car allowance). Other benefits are available to the NEOs such as career transition program, financial planning services and health care coverage. The estimated required payments¹⁶ for the NEOs which remain employed by the Corporation are: \$994,670 for Mr. Bussi eres, \$1,747,030 for Mr. Arndt, \$1,326,070 for Mr. O'Connor and \$766,760 for Louis Juneau.

In addition, the Stock Option Plan provides that options become immediately vested in the event of an offer for at least 66% of the issued and outstanding shares of the Corporation. Similarly, the DSU Plan and the PSU Plan each provide that units become immediately vested in case of a change of control of the Corporation. In addition, under the Pension Plans (section 8.8 *Indirect Remuneration*), all benefits accrued to the NEOs in respect of their years of credited service up to the date of a change of control become fully vested.

¹⁴ A change of control means (i) acquisition by any person, entity or affiliated group of the issued and outstanding shares of the Corporation representing more than fifty percent (50%) of the total voting power represented by the Corporation's then outstanding voting Shares, exclusive of an acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Corporation, (ii) the consummation of a merger or consolidation of the Corporation with any other entity, other than a merger or consolidation which would result in the voting Shares of the Corporation outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting Shares of the surviving entity) more than fifty percent (50%) of the total voting power represented by the voting Shares of the Corporation or surviving entity outstanding immediately after such merger or consolidation, (iii) the consummation of the sale, lease or other disposition by the Corporation of all or substantially all the Corporation's assets, or (iv) shareholders of the Company take (or cause the Company to take) any action that results in a change of 50% or more of the directors on the Board of Directors (other than changes to the composition of the Board of Directors that occur as a result of retirements or resignations of board members in the ordinary course).

¹⁵ In the event the NEO is terminated for cause, he will not benefit from the severance payment described in Section 8.10. If a change of control occurs and the NEO terminates his employment for "good reasons", the severance payment will be payable. Good reasons mean any significant change to the terms of employment of the NEO (without his consent) which includes, without limitation, (i) assignment of any duties materially inconsistent with the NEO's current duties, (ii) a reduction in annual base salary, (iii) discontinuance of any short-term or long-term incentive compensation plans that would have a significant impact on the NEO's total target cash compensation and (iv) any reason that would be considered to amount to constructive dismissal by a Court of competent jurisdiction.

¹⁶ Based on information as at December 31, 2015.

8.11 | COMPENSATION RISK

The Committee is of the opinion that the total compensation of the NEOs is balanced to avoid any potential risk that may result from taking actions to maximize compensation without regard for the risk assumed by the Corporation.

We believe the following measures impose appropriate limits to avoid excessive or inappropriate risk-taking or payments:

- 1 Compensation payments are capped to provide upper payout boundaries;
- 2 Milestones achieved must be maintained over a period of time prior to being paid or awarded. This achievement through vesting provisions is built into a long-term incentive plan;
- 3 Annual review of our long-term incentive plans' targets and milestones to ensure continued relevance and applicability;
- 4 Evaluation of variable compensation plan metrics to confirm balance of objectives between plan thereby mitigating, by design, excessive risk-taking; and
- 5 Policies which limit the authority on expenditures. The Board has in place policies that limit the expenditures which can be made at different levels of the organization.

8.12 | COMMITTEE REPORT

Following the Executive Compensation Structure Review achieved in 2015, the Committee submits that the compensation of the NEOs is appropriate given Uni-Select's size, the range of its activities and the return on shareholders' equity. The Committee is satisfied that the current executive compensation policies, programs and levels of compensation are correctly aligned with the Corporation's performance, shareholders' interests, and respect competitive market practices.

9 | SUMMARY COMPENSATION TABLE

9.1 | HIGHLIGHTS

The Corporation has:

- 1 Completed, on June 1, 2015, the sale of substantially all of the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc. for a cash consideration of US\$320.5 million;
- 2 Realized sales of US\$1.36 billion;
- 3 Decreased total net debt by US\$260.2 million; the Corporation is essentially debt free, with a net cash position of US\$1.1 million as at December 31, 2015;
- 4 Increased adjusted return on average total equity to 12% from 10.9% last year; and
- 5 Completed 16 acquisitions, adding 34 locations to its network (27 stores in Canada and 7 stores in the United States).

9.2 | SUMMARY COMPENSATION TABLE

The following table¹ details the annual compensation to each of the NEOs with regards to 2013, 2014 and 2015. Information on compensation paid in previous years and other information filed with the Canadian provincial securities commissions on SEDAR may be reviewed on sedar.com.

NAME AND PRINCIPAL POSITION	YEAR	SALARY	SHARE-BASED AWARDS ²	OPTION-BASED AWARDS ³	NON-EQUITY INCENTIVE PLAN COMPENSATION		PENSION VALUE	ALL OTHER COMPENSATION	TOTAL COMPENSATION
					Short-Term Annual Incentive Plan (paid in cash)	Long-Term Incentive Plan			
					(\$)	(\$)			
Henry Buckley ⁴ President and Chief Executive Officer	2015	608,191	273,202	372,997	637,472	-	58,861	99,600 ⁵	2,050,323 ⁶
	2014	141,593	73,921	-	172,483	-	14,159	739,175 ⁷	1,141,331 ⁶
	2013	-	-	-	-	-	-	-	-
Eric Bussi�eres ⁸ Chief Financial Officer	2015	21,238	-	-	-	-	1,096	250,987 ⁹	273,321
	2014	-	-	-	-	-	-	-	-
	2013	-	-	-	-	-	-	-	-
Steve Arndt President and Chief Operating Officer, FinishMaster, Inc.	2015	488,274	143,791	225,786	335,512	172,260	30,675	11,634	1,407,932 ⁶
	2014	312,186	60,876	148,156	284,312	-	27,616	11,655	844,800 ⁶
	2013	255,514	63,635	151,252	148,482	-	25,551	13,097	657,531 ⁶
Gary O'Connor President and Chief Operating Officer, Automotive Canada	2015	318,750	-	167,168	325,000	200,486	130,200	12,835	1,154,439
	2014	297,250	31,500	166,281	126,000	53,951	108,300	12,580	795,862
	2013	289,000	41,507	174,843	166,030	-	109,400	12,716	793,497
Louis Juneau Chief Legal Officer and Corporate Secretary	2015	230,063	59,096	-	137,891	160,614	25,190	150,173 ¹⁰	763,027
	2014	210,961	20,250	-	47,250	25,044	21,961	12,580	338,046
	2013	204,992	50,926	-	118,828	-	20,452	12,420	407,618
Richard G. Roy ¹¹ Former President and Chief Executive Officer	2015	333,596	-	586,888	401,076	952,651	198,500	99,708 ¹²	2,572,419
	2014	545,749	53,900	566,169	215,600	198,765	220,600	24,062 ¹²	1,824,845
	2013	533,000	133,119	591,190	532,476	-	220,200	240,255 ¹³	2,250,240
Denis Mathieu ¹⁴ Former Executive Vice President, Corporate Services and Chief Financial Officer	2015	208,002	-	192,772	208,314	373,990	117,800	610,451 ^{12,15}	1,711,329
	2014	322,920	-	181,242	115,500	54,897	108,900	21,465 ¹²	804,924
	2013	315,000	-	190,576	301,000	-	112,500	18,774 ¹²	937,850

¹ This table describes the expense incurred for the Corporation in those years. In 2013, 2014 and 2015, this expense increased with respect to previous years due to the nature of the new long-term incentive plans (which include the Stock Option Plan) that need to be recognized on an accelerated basis pursuant to applicable accounting policies.

² The amounts included in this column represent the portion of the short-term bonus attributable to 2015 that is granted as DSUs at the time of the approval of such bonuses according to the DSU Plan and the Share Ownership Guidelines of the Corporation. Refer to 8.6 *Direct Remuneration – Short-Term Incentive Plan* for a detailed description of the DSU Plan.

³ The fair value of the vested options was estimated at the award date in order to determine compensation expenses for the options by using the Trinomial pricing model according to the following hypotheses for the 2015/2014/2013 years, respectively:

Expected Annual Dividend Yield 1.98%/1.81%/1.66% Risk-free Rate 1.4248%/2.19%/1.61%
Expected Annual Volatility 26.24%/25.67%/25.39% Expected Duration in Years 7/7/7

⁴ The fair value of the options for the period ended December 31, 2015 is \$6.28.

⁵ Henry Buckley was named to the position of President and Chief Executive Officer on August 1, 2015. Prior thereto, he was Chief Operating Officer of the Corporation.

⁶ Including payment for a rental property.

⁷ All amounts for Mr. Buckley and Mr. Arndt are USD converted into CAD using the exchange rate of 2015-1.27814, 2014-1.10433, 2013-1.02998.

⁸ This amount includes a signing bonus as per the terms of Mr. Buckley's employment agreement.

⁹ Eric Bussi eres was named to the position of Chief Financial Officer on November 30, 2015.

¹⁰ This amount includes a signing bonus as per the terms of Mr. Bussi eres' employment agreement.

¹¹ The Board of Directors granted a discretionary bonus to Mr. Juneau in the amount of \$115,500 related to his role in the sale of the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc.

¹² Richard G. Roy retired on July 31, 2015.

¹³ Including payment of unused vacation (over 2 weeks for 2013 and 2014, if applicable, as per our Corporation Policy).

¹⁴ The Board of Directors granted a discretionary bonus to Mr. Roy in the amount of \$214,105.00 based on the results achieved in the 2013 Strategic and Operational Action Plan (optimization and rightsizing of the distribution network).

¹⁵ Denis Mathieu stepped down as Executive Vice President, Corporate Services and Chief Financial Officer of the Corporation on July 31, 2015.

¹⁶ This amount includes a severance payment as per the terms of an agreement with Mr. Mathieu.

9.3 | INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR¹

NAME	OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR ²	OPTION-BASED AWARDS – GAINS REALIZED UPON EXERCISE DURING THE YEAR ³	SHARE-BASED AWARDS – VALUE VESTED DURING THE YEAR ⁴	NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR ⁵
	\$	\$	\$	\$
Henry Buckley	-	-	-	637,472
Eric Bussièrès	-	-	-	-
Steve Arndt	64,592	768,241	172,260	335,512
Gary O'Connor	74,363	886,042	200,486	325,000
Louis Juneau	-	-	160,614	137,891
Richard G. Roy	251,670	8,347,614	1,446,904 ⁶	401,076
Denis Mathieu	81,045	1,156,239	373,990	208,314

¹ As of December 31, 2015.

² The amount represents the aggregate dollar value that would have been realized if the options had been exercised on the vesting date, based on the difference between the closing price of the Shares on the TSX and the exercise price on such vesting date.

³ The amount represents the aggregate dollar value realized upon exercise, based on the difference between the closing price of the Shares on the TSX on the exercise date and the exercise price.

⁴ The amount represents the aggregate dollar value realized upon vesting of the PSUs granted in 2013.

⁵ Short-term annual incentive plan payouts.

⁶ For Mr. Roy, this amount represents the aggregate dollar value realized upon vesting of the PSUs granted in 2013, PSUs granted in 2014 and 2015 which vested upon retirement (on a pro-rata basis) and the redemption of DSUs after retirement.

9.4 | SHORT-TERM BONUS RELATED TO FINANCIAL OBJECTIVES TABLE

In order for a short-term bonus based on the financial objective to be granted, Uni-Select's Board of Directors establishes a minimum threshold to be reached. For 2015, the minimum was to increase last year's Adjusted EBT¹ by 2.5%.

NAME	TARGET BONUS		MAXIMUM BONUS	TARGET BONUS	MAXIMUM BONUS	PAYMENT
	Financial Objective	Specific Objective				
	%	%				
Henry Buckley	80	10	150	546,405	910,675	910,675
Eric Bussièrès ²	N/A	N/A	N/A	N/A	N/A	N/A
Steve Arndt	50	10	100	287,582	479,303	479,303
Gary O'Connor	50	10	100	195,000	325,000	325,000
Louis Juneau	40	10	85	115,875	196,988	196,988
Richard G. Roy	N/A	N/A	N/A	N/A	N/A	N/A
Denis Mathieu	N/A	N/A	N/A	N/A	N/A	N/A

¹ These adjustments include, among other things, restructuring and other charges, impairment and transaction charges related to the sale of net assets, net gains on the purchase of the remaining interests in joint ventures, the non-capitalizable costs related to the development and implementation of the ERP system and costs related to the closure and disposal of stores.

² Mr. Bussièrès joined the Corporation on November 30, 2015 and is eligible since January 2016.

TABLE OF SHORT-TERM BONUSES RELATED TO SPECIFIC OBJECTIVES

The specific objectives set for the NEOs at the beginning of 2015 were tied to the achievement of certain strategic and priority activities to the development of the Corporation. The objectives and weight attached are re-evaluated on an annual basis by the Human Resources and Compensation Committee. These objectives could include operational or HR objectives. Achievement of the specific objectives presents a meaningful challenge for the Corporation's senior management since the Corporation consistently sets ambitious goals.

The following is a summary of the 2015 operational and HR specific objectives:

- Operational Objectives:** (a) Effectively provide transition services to IEH Auto Parts LLC related to the sale of its US auto parts assets and (b) establish mergers and acquisitions capabilities within corporate, FinishMaster and Automotive Canada; and
- Human Resources Objectives:** Implement a new corporate organizational structure following the sale of the US activities on June 1, 2015, while maintaining a high level of engagement from its teammates.

9.5 | TABLE OF PERFORMANCE SHARE UNIT (PSU) PROGRAM AND OF DEFERRED PERFORMANCE UNIT (DPU) PROGRAM

The NEOs participate in the PSU program and were awarded the following compensation on account of units held and were also awarded the performance units set out opposite their respective names.

NAME	UNITS AWARDED	UNITS AWARDED	UNITS AWARDED	AROE REACHED FOR PAYMENT	PERFORMANCE FACTOR OF AROE	PSU VALUE ¹	PAYMENT ²
	2013	2014	2015	2013 TO 2015	2013 TO 2015		
	#	#	#	%	%	\$	\$
Henry Buckley	-	-	7,814	10.90	90	58.838	-
Eric Bussi�eres	-	-	-	10.90	90	58.838	-
Steve Arndt	3,253	2,909	4,730	10.90	90	58.838	172,260
Gary O'Connor	3,786	3,265	3,671	10.90	90	58.838	200,485
Louis Juneau	3,033	2,781	3,304	10.90	90	58.838	160,614
Richard G. Roy	12,801	11,118	12,295	10.90	90	58.838	952,651 ³
Denis Mathieu	4,127	3,559	4,039	10.90	90	58.838	373,990 ³

¹ Calculated as of the redemption date (February 18, 2016) for the units awarded in 2013 for the 2013-2015 period.

² Payment for units awarded in 2013 for the 2013-2015 period.

³ Payment for units granted in 2013, 2014 and 2015 which became vested at the end of mandate.

The Deferred Performance Unit Program has been replaced in 2013 by the Performance Share Unit Plan. The last units under the DPU Program were awarded in 2012. These units expired in 2014. For more information on the DPU Program, please refer to Schedule C attached hereto. The NEOs participated in the DPU program and were awarded the following compensation on account of units held.

NAME	UNITS AWARDED		AROE REACHED FOR PAYMENT				LEVEL ACHIEVED				PAYMENT	
	2011	2012	2011	2012	2013	2014	2011	2012	2013	2014	2013	2014
	#	#	%	%	%	%	\$	\$	\$	\$	\$	\$
Henry L. Buckley	-	-	12.37	-	-	-	100	-	-	-	-	-
Eric Bussi�eres	-	-	-	-	-	-	-	-	-	-	-	-
Steven J. Arndt	-	-	12.37	-	-	-	100	-	-	-	-	-
Gary O'Connor	1,375	1,425	12.37	11.17	9.80	- ¹	100	80	0	37.86	-	53,951
Louis Juneau	630	662	12.37	11.17	9.80	- ¹	100	80	0	37.86	-	25,044
Richard G. Roy	5,000	5,250	12.37	11.17	9.80	- ¹	100	80	0	37.86	-	198,765
Denis Mathieu	1,400	1,450	12.37	11.17	9.80	- ¹	100	80	0	37.86	-	54,897

¹ For 2014, the Board of Directors recommended aligning the financial objective to be achieved for the DPU Program with the 2014 financial objective of the Corporation. Consequently, to allow a payment for the three-year cycle ending in 2014, the Board set the minimum Adjusted EPS target (excluding the impact of the exchange rate) at \$2.60. The amount achieved in 2014 was \$2.66.

9.6 | EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth the compensation plan under which equity securities of the Corporation are authorized for issuance, being the Corporation's current purchase option plan, as at December 31, 2015:

PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, 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
Equity compensation plans approved by security holders	185,814	\$27.23	905,517
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	185,814	\$27.23	905,517

The following table shows all awards outstanding for each NEO for the year ending December 31, 2015.

NAME	OPTION-BASED AWARDS				SHARE-BASED AWARDS		
	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS ¹	OPTION EXERCISE PRICE	OPTION EXPIRATION	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS ²	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED ³	MARKET OR PAYOUT VALUE OF VESTED SHARE-BASED AWARDS NOT PAID OUT OR DISTRIBUTED
	(#)	(\$)	DATE	(\$)	(#)	(\$)	(\$)
Henry Buckley	53,746	30.642	Jan. 1, 2022	2,035,254	10,306	170,726	-
Eric Bussi�eres	-	-	-	-	-	-	-
Steve Arndt	7,443	22.90	Jan. 1, 2020	339,476	15,437	311,378	-
	11,190	28.76	Jan. 1, 2021	444,758			-
	24,400	30.642	Jan. 1, 2022	923,979			-
Gary O'Connor	8,604	22.90	Jan. 1, 2020	392,428	13,578	195,665	-
	12,559	28.76	Jan. 1, 2021	499,170			-
	18,939	30.642	Jan. 1, 2022	717,182			-
Louis Juneau	-	-	-	-	2,766	189,492	-
Richard G. Roy	-	-	-	-	-	-	-
Denis Mathieu	9,379	22.90	Jan. 31, 2017 ⁴	127,776	-	-	-
	13,689	28.76	Jan. 31, 2017 ⁴	544,083	-	-	-
	13,889	30.642	Jan. 31, 2017 ⁴	525,949	-	-	-

¹ Stock options held as at December 31, 2015.

² The value of unexercised in-the-money options as at December 31, 2015 is the difference between the closing price of the Shares on December 31, 2015 on the TSX (\$68.51) and the exercise price.

³ Deferred Share Units held on December 31, 2015 shall be redeemed upon certain redemption events.

⁴ As per the terms of an agreement with Mr. Mathieu which was subject to approval by the TSX, which approval was obtained on June 3, 2015.

9.7 | TABLE OF VALUE OF THE PENSION PLAN

The various pension plans available for Senior Executives are described in Section 8.8 *Indirect Remuneration – Pension Plan*.

The table below illustrates the costs and benefits payable at retirement for each Named Executive Officer:

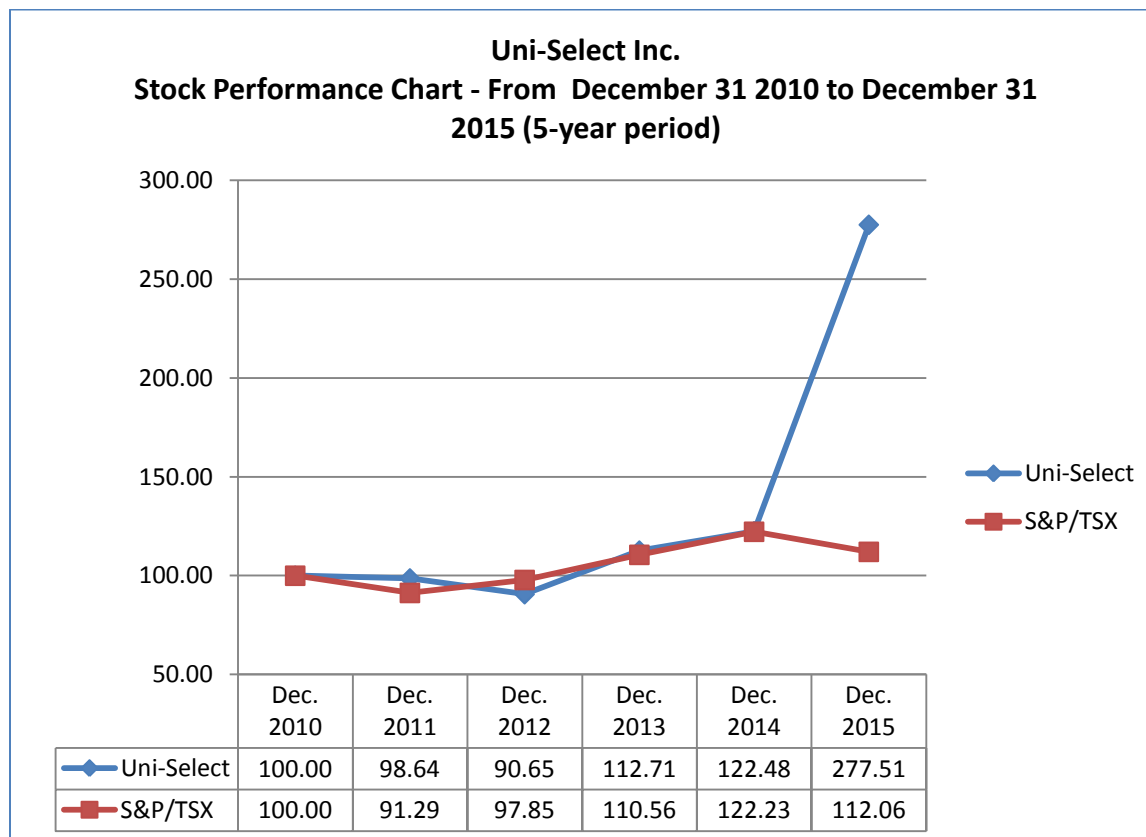
NAME	NUMBER OF YEARS OF CREDITED SERVICE AS AT DECEMBER 31, 2015		ANNUAL BENEFITS PAYABLE		OPENING PRESENT VALUE OF DEFINED BENEFIT OBLIGATION	COMPENSATORY CHANGE	NON-COMPENSATORY CHANGE	CLOSING PRESENT VALUE OF DEFINED BENEFIT OBLIGATION
	Registered Plans	Supplemental Plan	At year end	At age 65				
	Years	Years	\$	\$				
Henry Buckley ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Eric Bussi�eres ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Steve Arndt ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Gary O'Connor	10.00	10.00	79,800	113,500	1,171,500	130,200	66,100	1,367,800
Louis Juneau ¹	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Richard G. Roy	16.76	15.00	240,700	240,700	3,809,800	161,100	207,200	4,178,100
Denis Mathieu	8.61	8.69	71,100	71,100	1,095,200	117,800	70,100	1,283,100

¹ The Defined Benefit Pension Plan does not apply to Messrs. Buckley, Bussi eres, Arndt and Juneau.

10 | PERFORMANCE GRAPH

The graph below illustrates the annual percentage change in the Corporation's cumulative return on shareholders' equity on the stock of the Corporation in relation to the cumulative return of the S&P/TSX Index over a five-year period ended December 31, 2015.

The year-end valuation of each investment is based on the increase in share value, adjusted for cash dividends reinvested as at the date on which they were paid. These calculations do not account for brokerage fees or taxes. The total return on shareholders' equity for each investment, whether measured in dollars or as a percentage, may be calculated from the year-end values shown on the graph below.



Throughout the 2011 financial year, the reference index decreased, whereas Uni-Select's share price was stable. During the course of 2012, Uni-Select's share price gained value for the first six months and declined from July to the end of the year due to difficult market conditions and lower performance, while the reference index made gains. In 2013, the Corporation improved its results accounting for the strong incline towards the end of the year which outpaced index progression. In 2014, the index mostly progressed throughout the year, while Uni-Select's share value remained aligned with the market incline recorded at the end of 2014. During 2015, essentially driven by the sale of substantially all the assets of Uni-Select USA, Inc. and Beck/Arnley Worldparts, Inc., Uni-Select's share price more than doubled and outpaced index progression.

The NEOs short-term and long-term compensation incentives are principally based on financial measures. It should be noted that the NEOs in 2015 were not all the same as those in previous years. For this and other reasons, we cannot establish a direct relation between the evolution of the total direct compensation of the NEOs and the evolution of the price of shares between two specific points in time.

The total compensation of the NEOs increased in the course of 2015, mainly due to stock-based benefits and severances paid the NEOs who have left the Corporation.

As of February 29, 2016, Uni-Select's share price and value of the reference index were respectively, 232.63 and 111.27.

11 | ADDITIONAL INFORMATION

Unless otherwise indicated, the information contained herein is provided as at February 29, 2016. The Corporation is not aware of any matters that could be submitted at the Meeting other than those indicated in the Notice of Meeting. Should any unknown matters be properly submitted at the Meeting, the persons named in the form of proxy will vote on such matters according to their best judgment.

11.1 | AVAILABILITY OF ADDITIONAL DOCUMENTS

Uni-Select is a reporting issuer and is subject to securities legislation; accordingly, it must file its annual financial statements and management information circular. Uni-Select must also file an annual information form with the securities commissions. Financial information is provided in the Corporation's comparative annual financial statements and Management Report for its most recently completed financial year. Copies of this Management Information Circular, as well as the Corporation's latest Annual Information Form, Annual Report and Management Report for the year ended December 31, 2015, and its Quarterly Financial Statements produced after the latest Annual Financial Statements may be obtained from the Corporation's website, at no charge, at uniselect.com or by mail from the Secretary at 170 Industriel Blvd., Boucherville, Québec, J4B 2X3.

Interested parties may also access Uni-Select's disclosure documents and any reports, statements or other information filed with the Canadian provincial securities commissions on SEDAR at sedar.com.

11.2 | SHAREHOLDERS PROPOSALS FOR THE 2016 ANNUAL MEETING

Shareholder proposals for the meeting held for the purposes of receiving the 2016 year-end financial statements and other matters must be received by December 26, 2016.

12 | APPROVAL OF THE DIRECTORS

The Directors of the Corporation have approved the contents and the sending of this Management Information Circular.



Me Louis Juneau
Chief Legal Officer and Corporate Secretary

Boucherville, Québec

March 24, 2016

SCHEDULE A – SPECIAL RESOLUTION TO AMEND THE ARTICLES

BE IT RESOLVED, AS A SPECIAL RESOLUTION OF THE SHAREHOLDERS OF UNI-SELECT INC. (“CORPORATION”):

THAT the Articles of the Corporation be amended (i) to authorize shareholder meetings to be held anywhere in Canada; (ii) to authorize the Board of Directors to appoint one or more additional directors to hold office for a term expiring not later than the close of the annual meeting following their appointment, provided that the total number of directors so appointed may not exceed one third ($\frac{1}{3}$) of the number of directors elected at the annual meeting preceding their appointment; and (iii) to limit the number of preferred shares that may be issued and outstanding at any time to a number equal to not more than twenty percent (20%) of the number of issued and outstanding Shares at the time of issuance of any preferred shares;

THAT the Corporation be and is hereby authorized to make such conforming amendments to its corporate documents as may be necessary or advisable to give effect to this Special Resolution; and

THAT any director or officer of the Corporation be and is hereby authorized and instructed, for and on behalf of the Corporation, to sign and deliver or cause to be signed and to be delivered Articles of Amendment under the *Business Corporations Act* (Québec), and to sign and deliver or cause to be signed and delivered all documents, and to do all acts and things, as such director or officer may determine necessary or advisable to give effect to these resolutions.

SCHEDULE B – BOARD OF DIRECTORS’ CHARTER

INTRODUCTION

This Charter is intended to identify the specific responsibilities of the Board of Directors and thereby to enhance coordination and communication between the Board and management. The responsibilities identified here are to be carried out consistently with the principles stated in the Corporation’s Code of Ethics. This Charter complements the Charters of the committees of the Board, as well as the respective position descriptions for the Chair of the Board, for the committee chairs and for the President and Chief Executive Officer.

PART I. BOARD STRUCTURE

1. COMPOSITION OF THE BOARD

A majority of directors comprising the Board must qualify as independent. As a general objective, the Board will ensure itself that it is composed of directors with diverse backgrounds and personal characteristics and traits as well as competencies and expertise that add value to the Corporation and that each director will serve the Board to best discharge its responsibilities.

2. ELECTION AND APPOINTMENT OF DIRECTORS

Nominees for directors are initially considered and recommended by the Corporate Governance and Nominating Committee, approved by the entire Board and elected annually by the shareholders of the Corporation.

PART II. BOARD OPERATIONS

1. CHAIR OF THE BOARD

The Board shall appoint annually a chair from the independent members of the Board.

The Chair of the Board is charged with the responsibility of overseeing the efficient operation of the Board and its committees and ensuring that the Board’s agenda will enable it to successfully carry out its duties. The principal duties of the Chair shall be set out in the position description developed by the Board and shall include running the affairs of the Board efficiently and in accordance with corporate governance principles and properly evaluating the effectiveness of the committee structures and the quality of management’s work that is presented in support of the decision-making process of the Board. The Chair may also serve as a member of a committee of the Board.

2. SECRETARY OF COMMITTEE

The Chair of the Board shall designate from time to time a person who may, but need not be, a director, to be secretary of the Board. The secretary shall keep minutes of the meetings of the Board and circulate them to the Board.

3. REGULAR MEETINGS

Regularly scheduled meetings of the Board at which non-independent directors and members of management are not in attendance shall be held at such time or times as the Board or the Chair of the Board may determine to discuss matters of interest.

4. SPECIAL MEETINGS

Special meetings of the Board may be called by, or by the order of the Chair, the President and Chief Executive Officer or any two directors.

5. QUORUM

A majority of the directors present in person or by means of telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other shall constitute a quorum.

6. AGENDA

The Chair shall develop and set the Board's agenda in consultation with the other directors and the secretary. The agenda and information concerning the business to be conducted at the Board meetings shall, to the extent practical, be communicated to the directors sufficiently in advance of each meeting to permit meaningful review. Each Board meeting agenda shall include a period of discussion between directors in the absence of management and non-independent directors.

7. DELEGATION

The Board shall have the power to delegate certain of its responsibilities to committees of the Board, as it considers appropriate. The responsibilities of those committees will be as set forth in their Charters, as amended from time to time. In addition, the Board may appoint ad hoc committees as may be needed from time to time to address other issues. The Board shall develop a position description for the chairs of the committees.

8. OUTSIDE CONSULTANTS OR ADVISORS

At the Corporation's expense, the Board and its committees may retain, when they consider it necessary or desirable, outside consultants or advisors to advise the Board or the committees independently on any matter. The Board and its committees shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to review a consultant's or advisor's fees and other retention terms. The Board has determined that any director who wishes to engage an outside advisor at the expense of the Corporation may do so if he or she first obtains authorization of the Chair.

PART III. DUTIES AND RESPONSIBILITIES

1. PRIMARY RESPONSIBILITY AND PLENARY AUTHORITY

The Board is responsible for the stewardship of the Corporation including responsibility for satisfying itself as to the integrity of the President and Chief Executive Officer and other Senior Executives and that the President and Chief Executive Officer and other Senior Executives create a culture of integrity throughout the Corporation. The primary responsibility of the Board is to supervise the management of the Corporation so as to foster the long-term success of the Corporation consistent with the Board's responsibility to the shareholders to maximize shareholder value. The Board has plenary power. Any responsibility not delegated to management or a committee of the Board remains with the Board.

2. OPERATIONS OF THE BOARD

The Board operates by delegating certain of its authority, including spending authorizations, to management and by reserving certain powers to itself. The general legal obligations of the Board are described in detail under Section 12 of this Part III. Subject to these legal obligations and to the Articles and By-laws of the Corporation, the Board retains the responsibility for managing its own affairs, including:

- a) planning its composition and size;
- b) selecting its Chair;
- c) nominating candidates for election to the Board upon the recommendation of the Corporate Governance and Nominating Committee;
- d) determining whether each director is an independent director;
- e) appointing committees of the Board and membership of directors thereon and approving their respective mandates and the limits of authority delegated to each committee;
- f) together with the Human Resources and Compensation Committee and the Corporate Governance and Nominating Committee, determining director compensation;
- g) assessing, through the Corporate Governance and Nominating Committee, the effectiveness of the Board, its committees and its directors in fulfilling their responsibilities;
- h) establishing through the Corporate Governance and Nominating Committee an appropriate system of corporate governance including guidelines and practices to ensure the Board functions independently of management.

3. ESTABLISHMENT AND REVIEW OF BOARD MEMBER CHARACTERISTICS

Prior to nominating or appointing individuals as directors, the Board shall:

- a) together with the Board Chair, monitor the size and composition of the Board and its committees to ensure effective decision-making;
- b) consider the appropriate skills and competencies required of the Board as a whole, taking into consideration the Board's short-term needs and long-term succession plans and assess what competencies and skills each existing director possesses; and

- c) develop, and annually update, a long-term plan for the Board's composition that takes into consideration the characteristics of independence, age, skills, experience and availability of service to the Corporation of its members, as well as the opportunities, risks and strategic direction of the Corporation.

In carrying out each of these functions, the Board should consider the advice and input of the Corporate Governance and Nominating Committee.

4. MANAGEMENT AND HUMAN RESOURCES

Upon the recommendations of the Human Resources and Compensation Committee, the Board has the responsibility to:

- a) appoint the President and Chief Executive Officer, and provide advice and counsel to the President and Chief Executive Officer in the execution of his/her duties;
- b) develop the position description for the President and Chief Executive Officer and develop or approve the corporate goals and objectives he/she is responsible for meeting;
- c) evaluate the President and Chief Executive Officer's performance at least annually against agreed upon written objectives and determine and approve the President's and Chief Executive Officer's compensation level based on this evaluation;
- d) approve a comprehensive statement of compensation philosophy, strategy and principles for the Corporation's executives;
- e) approve certain decisions relating to senior management, including the:
 - i) appointment and discharge of Executive Officers;
 - ii) compensation and benefits for Executive Officers;
 - iii) employment, consulting, retirement and severance agreements, and other special arrangements proposed for Executive Officers; and
 - iv) annual corporate and business unit performance objectives utilized in determining incentive compensation or other awards to officers;
- f) ensure that succession planning and management development programs are in place, including:
 - i) approving the succession plan for the President and Chief Executive Officer;
 - ii) in the case of other senior managers, ensuring that plans are in place for management succession and development; and
 - iii) monitoring senior management;
- g) ensure that criteria and processes for recognition, promotion, development and appointment of senior management are consistent with the future leadership requirements of the Corporation;
- h) create opportunities to become acquainted with employees within the Corporation who have the potential to become members of senior management, including presentations to the Board by these employees or any form of interaction with them; and

- i) approve certain matters relating to all employees, including:
 - i) the annual salary and incentive policies/programs for employees;
 - ii) new benefit programs or material changes to existing programs;
 - iii) material changes in the Corporation's retirement plans; and
 - iv) material benefits granted to retiring employees outside of benefits received under approved retirement and other benefit programs.

5. STRATEGY AND PLANS

The Board has the responsibility to:

- a) adopt a strategic planning process and participate with management in the development of, and ultimately approve on at least an annual basis, the Corporation's strategic plan which takes into account, among other things, the future trends, opportunities and risks of the business over a three to seven-year horizon;
- b) approve annual capital and operating budgets that support the Corporation's ability to meet its strategic objectives and operating plans;
- c) approve the entering into, or withdrawing from, lines of business that are, or are likely to be, material to the Corporation;
- d) approve financial and operating objectives used in determining compensation if they are different from the strategic, capital or operating plans referred to above;
- e) approve material divestitures and acquisitions;
- f) monitor the Corporation's progress towards its strategic objectives, and revise and alter its direction through management in light of changing circumstances; and
- g) review recent developments that may affect the Corporation's strategy, and advise management on emerging trends and issues.

6. FINANCIAL AND CORPORATE ISSUES

The Board has the responsibility to:

- a) take reasonable steps to ensure, through the Audit Committee, the integrity and effectiveness of the Corporation's internal controls and management information systems, including the evaluation and assessment of information provided by management and others (e.g., internal and external auditors) about the integrity and effectiveness of the Corporation's internal controls and management information systems;
- b) review operating and financial performance relative to budgets and objectives;
- c) approve annual financial statements and quarterly financial results and approve their release by management;
- d) declare dividends;
- e) approve financings, changes in authorized capital, issue and repurchase of shares, issue of debt securities, listing of shares and other securities, issue of commercial paper and related prospectuses and trust indentures;
- f) approve appointment of external auditors and approve auditors' fees upon the recommendation of the Audit Committee;
- g) approve banking resolutions and significant changes in banking relationships;
- h) review and consider for approval all amendments or departures proposed by management from established strategy, capital and operating budgets or matters of policy which diverge from the ordinary course of business;
- i) approve significant contracts, transactions and other arrangements or commitments that may be expected to have a material impact on the Corporation; and
- j) approve the commencement or settlement of litigation that may be expected to have a material impact on the Corporation.

7. BUSINESS AND RISK MANAGEMENT

The Board has the responsibility to:

- a) identify the principal risks of the Corporation's business and ensure that management implements appropriate systems to manage these risks;
- b) review coverage, deductibles and key issues regarding corporate insurance policies;
- c) review compliance with legislative and regulatory requirements, and adopting and monitoring compliance with the Code of Ethics; and
- d) understand the principal risks associated with the Corporation's business and review whether the Corporation achieves a proper balance between risk and returns.

8. POLICIES AND PROCEDURES

The Board has the responsibility to:

- a) develop the Corporation's system of an overall approach to corporate governance. The Board may delegate to the Corporate Governance and Nominating Committee responsibility to review and make recommendations to the Board regarding the content and implementation of corporate governance guidelines and other related governance matters and processes;
- b) review compliance with the significant policies and procedures by which the Corporation is operated and approve any waivers of the practice for officers and directors;
- c) ensure that management operates at all times within applicable laws and regulations; and
- d) review significant new corporate policies or material amendments to existing policies (including, for example, policies regarding business conduct and conflicts of interest).

9. DIRECTOR ORIENTATION AND EDUCATION

New directors shall receive a comprehensive orientation. New directors shall be provided with a basic understanding of the Corporation's business, the role of the Board and its Committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and resources that the Corporation expects from its directors) in order to assist such directors in contributing effectively to the Board.

All new directors should understand the nature and operation of the Corporation's business and as such, management will provide new directors with a general information record on the Corporation, the opportunity to meet with Executive Management and operational personnel and the opportunity to visit the Corporation's warehouses and other facilities.

On a regular basis, management or independent consultants will give presentations on various topics to the Board of Directors and updates on governance initiatives and issues.

The Board shall undertake or arrange for such continuing director education activities and programs as it deems advisable in order to maintain or enhance their skills and abilities as directors, as well as to ensure that their knowledge and understanding of the Corporation's business remains current.

10. COMPLIANCE REPORTING AND CORPORATE COMMUNICATIONS

The Board has the responsibility to:

- a) ensure that the Corporation has in place effective communication processes with shareholders and other stakeholders and with financial, regulatory and other institutions and agencies;
- b) ensure that the Corporation has in place effective measures for receiving feedback from security holders such as establishing a process to permit security holders to directly contact the independent directors;
- c) approve interaction with shareholders on all items requiring shareholder approval;
- d) approve the content of the Corporation's major communications to shareholders and the investing public, including the quarterly reports, Annual Report, Management's Report, Management Proxy Circular, Annual Information Form and any prospectuses that may be issued, and any significant information respecting the Corporation contained in any documents incorporated by reference in any such documents;
- e) take reasonable steps to ensure that the financial performance of the Corporation is accurately and fairly reported to shareholders, other security holders and regulators on a timely and regular basis, and in accordance with generally accepted accounting principles;
- f) ensure the timely reporting of any other developments that have a material impact on the Corporation;
- g) report annually to shareholders on the Board's stewardship for the preceding year (the Annual Report); and
- h) review and amend when required the Corporate Disclosure Policy of the Corporation.

11. PENSION FUNDS MATTERS

Through the Audit Committee consider and, in accordance with regulatory requirements:

- a) monitor the Corporation's pension plans having to do with financial matters after consultation with the Human Resources and Compensation Committee and the Audit Committee in respect of any effect such a change may have on pension benefits;
- b) recommend changes when a financial risk is identified;
- c) recommend the appointment and termination of investment managers with respect to the Corporation's pension plans; and
- d) receive and review the actuarial valuation and funding requirements for the Corporation's pension plans.

12. GENERAL LEGAL OBLIGATIONS

- a) The Board has the responsibility to:
 - i) ensure that management meets all legal requirements, and properly prepares, approves and maintains documents and records;

- ii) approve changes in the By-laws and Articles of Incorporation, matters requiring shareholder approval and agendas for shareholder meetings; and
 - iii) approve the Corporation's legal structure, mission statement and vision statement.
- b) The following are legal requirements of the Board:
- i) to manage the affairs of the Corporation;
 - ii) to act with honesty and loyalty in the interests of the Corporation; and
 - iii) to act with prudence and diligence.

13. EXPECTATIONS AND RESPONSIBILITIES OF DIRECTORS

Directors oversee the management of the business and affairs of the Corporation.

Directors must attend all Board and relevant committee meetings; read all Board and committee materials received in advance of meetings; discuss concerns and seek appropriate information directly from management as needed; seek advice from independent advisors (at the Corporation's expense with the prior authorization of the Chair) as deemed necessary, and participate actively, freely and openly in all meetings and discussions.

Directors shall avail themselves of corporate orientation programs and continuing education opportunities as the Board or the Corporate Governance and Nominating Committee determine from time to time.

a) **Fiduciary Duty and Confidentiality**

When exercising their powers and discharging their duties, directors must act with honesty and loyalty in the interests of the Corporation. Directors are thus fiduciaries vis-a-vis the Corporation and, as such, they must advance the interests of the Corporation in an impartial and disinterested manner. In particular, directors must not allow personal or business interests to conflict with the interests of the Corporation. Directors must not use their position, and information and knowledge derived from their position, for their personal gain or advantage. Directors are also subject to a duty of confidence regarding the affairs of the Corporation. Directors should not disclose or provide to others access to confidential information about the Corporation.

b) Standard of Care

When exercising their powers and discharging their duties, directors must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. This standard requires directors to devote the necessary time and attention to the affairs of the Corporation and its subsidiaries, make necessary enquiries of management and others so as to make informed decisions, and make use of their education and experience.

c) Position Qualifications

Each director must:

- i) be an individual of at least 18 years of age, of sound mind, and not have the status of a bankrupt. A majority of the directors must be independent;
- ii) be financially literate; have relevant and practical business experience; have an understanding of the strategic planning process; have an understanding of human resource development, and have such competencies as determined by the Corporate Governance and Nominating Committee from time to time;
- iii) have a high degree of personal and professional integrity and operate within the ethical framework set out in the Corporation's Code of Ethics; and
- iv) have time available to adequately perform duties and responsibilities as a Board member and not be involved in activities which conflict with the Corporation's business.

Directors are elected annually by the shareholders. The Corporate Governance and Nominating Committee has the responsibility to recommend to the Board who will stand each year for election or re-election by the shareholders.

14. EVALUATION OF THE BOARD

Regularly, the Board and its members will assess the effectiveness of the Board and its committees, including the operation of the Board, the Board structure, the adequacy of information provided to directors and the effectiveness of the Chair in managing the meetings of the Board and the strategic direction of the Corporation. Such assessments shall consider the charter of the Board and its committees.

The Board or the Corporate Governance and Nominating Committee shall also assess, on a regular basis, the performance and contribution of each director on a variety of topics including, strategic insight, participation and accountability, in order to provide them with constructive feedback to help them improve their performance. In making its assessment, the Board or the Corporate Governance and Nominating Committee shall consider the applicable position description, as well as the competencies and skills each individual director is expected to bring to the Board. The Board or the Corporate Governance and Nominating Committee will share with the committees responsible for corporate behaviour and governance matters the results of this evaluation and discussion.

15. REVIEW OF BOARD CHARTER

The Board shall assess the adequacy of this Charter annually and shall make any changes deemed necessary or appropriate.

16. NON-EXHAUSTIVE LIST

The foregoing list of duties is not exhaustive, and the Board may, in addition, perform such other functions as may be necessary or appropriate in the circumstances for the performance of its responsibilities.

SCHEDULE C – DEFERRED PERFORMANCE UNIT (DPU) PROGRAM SUMMARY

The Deferred Performance Unit Program was replaced in 2013 by the Performance Share Unit Plan. The last units under the DPU Program were awarded in 2012. Uni-Select’s Senior Executives participated in the DPU Program. The DPU Program had been implemented to enable Senior Executives to participate in the long-term success of the Corporation and to encourage them to remain in the employment of the Corporation. The payout amount to participants was based on a mathematical formula which left no room for subjective attribution unless the Board decided otherwise. The DPU had no voting or profit-sharing attributes. The Senior Executives eligible under the DPU Program were those who had a direct influence on the long-term results of the Corporation and were appointed by the Board upon the recommendation of the Committee. The DPU Program had a strong correlation to the financial performance of the Corporation and aligned the compensation of the Senior Executive to such performance.

Each participant to the DPU Program received a number of units that was function of his/her base salary and of his/her hierarchical level. There were 4 levels that determined the quantity of DPUs awarded and the range varied from 0.25 for key employees to 1.00 for the President and Chief Executive Officer.

DPUs had a base value of \$100 (“**Base Value**”) increased or decreased by a scale governed by the actual return on average shareholder equity per cycle (“**Return on Average Shareholder Equity**” or “**RASE**”). Each consecutive and rotating cycle had a term of three years (“**Rolling Cycles**”) such that a new cycle began each year.

RETURN ON AVERAGE SHAREHOLDER EQUITY (RASE)		
Return on a 10-year Canadian issued government bond on the date the DPUs are granted by the Board.	+	9% ¹
<small>¹ That is the rate exceeding the rate of return of a guaranteed investment at the time the DPU Program was launched.</small>		

In 2014, the last year of the DPU Program (DPUs granted in 2012 for the 2012-2013-2014 period), the Board of Directors recommended aligning the financial objective to be achieved with the 2014 financial objective of the Corporation. Consequently, to allow a payment for the three-year cycle ending in 2014, the Board of Directors set the minimum Adjusted EPS¹⁸ target (excluding the impact of the exchange rate) at no less than 9.7% higher than the previous year. In the event the Adjusted EPS recorded were greater than 9.7% higher than the previous year, payment of the DPUs was made in accordance with the scale.

Except in case of retirement or death, a participant to the DPU Program had no vested right to a payment before the expiry of each three-year cycle. Payment under the DPU Program was contingent upon a participant being an employee of the Corporation.

¹⁸ These adjustments include, among other things, costs related to the closure and disposal of stores, restructuring and other charges and the non-capitalizable costs related to the development and implementation of the ERP system.