

# AUTOCANADA INC.

## Majority Voting Policy for Directors

The board of directors (the “**Board**”) of AutoCanada Inc. (the “**Corporation**”) believes that each of its members should carry the confidence and support of its shareholders. To this end, the Board has unanimously adopted this statement of policy on behalf of the Board and the Corporation. Future nominees for election to the Board will be asked to subscribe to this policy before their names are put forward as nominee for election to the Board.

Forms of instrument of proxy for the vote at a shareholders’ meeting where directors are to be elected will enable the shareholder to vote in favour of, or to withhold from voting, separately for each nominee for election to the Board of the Corporation. If, with respect to any particular nominee, the number of voting shares withheld exceeds the number of voting shares voted in favour of the nominee (a “**Majority Withheld Vote**”), then for purposes of this policy the nominee shall be considered not to have received the support of the shareholders of the Corporation, even though duly elected as a matter of corporate law.

A person elected as a director of the Corporation who receives a Majority Withheld Vote is expected to immediately submit to the Board his or her resignation for consideration by the Board. Any director who tenders his or her resignation pursuant to this policy shall not participate in any meeting of the Board or any sub-committee of the Board to consider whether his or her resignation shall be accepted. The Board shall accept the resignation absent exceptional circumstances. The resignation shall be considered by the Board within ninety (90) days of the applicable shareholders’ meeting and will be effective when accepted by the Board. A news release will be immediately issued by the Corporation fully disclosing the Board’s determination (and the reasons for not accepting the resignation, if applicable) and a copy of the news release shall be provided to the Toronto Stock Exchange (“**TSX**”).

If the resignation is accepted, subject to any corporate law restrictions, the Board may leave the resultant vacancy unfilled until the next annual general meeting of shareholders at which directors are to be elected, it may fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or it may call a special meeting of shareholders at which there will be presented management nominees to fill the vacant position or positions.

Following each shareholders’ meeting where directors are to be elected with respect to uncontested elections, the Corporation will forthwith issue a news release disclosing the detailed voting results for the election of each director of the Board and a copy of the news release shall be provided to the TSX.

This policy applies only to uncontested elections, meaning elections where the number of nominees for director is equal to the number of directors to be elected.