

RITCHIE BROS AUCTIONEERS INC
Form 6-K
March 27, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

Date of report: March 27, 2014

Commission File Number: 001-13425

Ritchie Bros. Auctioneers Incorporated

9500 Glenlyon Parkway

Burnaby, BC, Canada

V5J 0C6

(778) 331 5500

(Address of principal executive offices)

indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F

Form 20-F Form 40-F

indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

indicate by check mark whether by furnishing information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934

Yes No

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):
82-_____

This Form 6-K incorporates the Notice of Annual Meeting of Shareholders, Information Circular and Form of Proxy distributed to the Company's shareholders of record as of March 20, 2014. The Information Circular was provided to shareholders in connection with the Company's annual meeting to be held on May 1, 2014.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

RITCHIE BROS. AUCTIONEERS INCORPORATED
(Registrant)

Date: March 27, 2014

By: */s/ DARREN WATT*
Darren Watt,

Corporate Secretary

RITCHIE BROS. AUCTIONEERS INCORPORATED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that an Annual Meeting (the **Meeting**) of the shareholders of RITCHIE BROS. AUCTIONEERS INCORPORATED (the **Company**) will be held at Ritchie Bros. Auctioneers offices at 9500 Glenlyon Parkway, Burnaby, British Columbia, V5J 0C6, on Thursday, May 1, 2014 at 11:00 a.m. (Vancouver time), for the following purposes:

- (1) to receive the financial statements of the Company for the financial year ended December 31, 2013 and the report of the auditors thereon;
- (2) to elect the directors of the Company to hold office until their successors are elected at the next annual meeting of the Company;
- (3) to appoint the auditors of the Company to hold office until the next annual meeting of the Company and to authorize the directors to fix the remuneration to be paid to the auditors;
- (4) to transact such other business as may properly be brought before the Meeting.

Further information regarding the matters to be considered at the Meeting is set out in the accompanying Information Circular.

The directors of the Company have fixed the close of business on March 20, 2014 as the record date for determining shareholders entitled to receive notice of and to vote at the Meeting. Only registered shareholders of the Company as of March 20, 2014 will be entitled to vote, in person or by proxy, at the Meeting.

Shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting, whether or not they are able to attend personally. To be effective, forms of proxy must be received by Computershare Trust Company of Canada, Attention Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. Shareholders may also vote on the internet by visiting the website included on the proxy form and following the online voting instructions.

All non-registered shareholders who receive these materials through a broker or other intermediary should complete and return the materials in accordance with the instructions provided to them by such broker or intermediary.

DATED at Vancouver, British Columbia, as of this 27th day of March, 2014.

By Order of the Board of Directors

Darren Watt

Corporate Secretary

RITCHIE BROS. AUCTIONEERS INCORPORATED

ANNUAL MEETING OF SHAREHOLDERS INFORMATION CIRCULAR

Unless otherwise provided the information herein is given as of March 3, 2014 and dollar amounts are presented in U.S. dollars.

Solicitation of Proxies

This Information Circular is being furnished to the shareholders of the Company in connection with the solicitation of proxies for use at the Annual Meeting to be held on May 1, 2014 (the Meeting) by management of the Company. The solicitation will be primarily by mail; however, proxies may also be solicited personally or by telephone by the directors, officers or employees of the Company. The Company may also pay brokers or other persons holding common shares of the Company (the Common Shares) in their own names or in the names of nominees for their reasonable expenses of sending proxies and proxy materials to beneficial shareholders for the purposes of obtaining their proxies. The costs of this solicitation are being borne by the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

PROPOSAL 1: Election of Directors

Under the Articles of Amalgamation of the Company, the number of directors of the Company is set at a minimum of three (3) and a maximum of ten (10) and the board of directors (the Board) is authorized to determine the actual number of directors within that range. The Company currently has eight (8) directors. Pursuant to the provisions of the Canada Business Corporations Act, a majority of the total number of directors constitutes a quorum at any meeting of directors. Each director of the Company is elected annually and holds office until the next annual meeting of shareholders of the Company unless he or she sooner ceases to hold office. The Articles of the Company also provide that the Board has the power to increase the number of directors at any time between annual meetings of shareholders and appoint one or more additional directors, provided that the total number of directors so appointed shall not exceed one-third of the number of directors elected at the previous annual meeting. At the annual meeting of shareholders of the Company held in 2013, seven (7) directors were elected. In June 2013 the Board determined that the number of directors should be increased to eight (8) and appointed Erik Olsson as an additional director. The number of directors to be elected at the Meeting is eight (8).

Peter Blake, the current Chief Executive Officer of the Company, is currently a director of the Company. Mr. Blake intends to resign as Chief Executive Officer of the Company. The Company is in the process of conducting a search to identify and hire a new Chief Executive Officer, but, as of the date of this Information Circular, the Board has not yet selected or hired such replacement. If the Company has identified and hired a new Chief Executive Officer prior to the Meeting, Mr. Blake intends to resign as Chief Executive Officer at the time of the Meeting. Failing that, Mr. Blake has agreed to remain as Chief Executive Officer for a further interim period while the Company continues the search process. In addition, to assist in the transition period surrounding the identification and hiring of a new Chief Executive Officer, Mr. Blake has agreed to stand for re-election as a director. It is anticipated that, if elected as a director at the Meeting, Mr. Blake would, following the hiring of the new Chief Executive Officer, resign from the Board, and the new Chief Executive Officer will be appointed as a director by resolution of the Board at some point subsequent to the date of the Meeting.

As set out in the Company's Corporate Governance Guidelines, the Board has established a mandatory retirement for directors at 72 years of age. Robert Murdoch, the Chairman of the Board, will reach the mandatory retirement age in 2014. The Board has requested that Mr. Murdoch delay his retirement and stand for re-election at the Meeting, in order to provide continued support to management and the Board in connection with the identification, hiring and transitioning of a new Chief Executive Officer in 2014. If elected at the Meeting, it is anticipated that Mr. Murdoch will be appointed as Chair of the Board, but will step down as Chair following the hiring of the new Chief Executive Officer. Subject to being elected at the meeting, it is anticipated that Beverley Briscoe, the current Deputy Chairperson of the Board, will be appointed as Chair following Mr. Murdoch's retirement from such position.

The Board has adopted a majority voting policy that will apply to any uncontested election of directors. Pursuant to this policy, any nominee for director who receives a greater number of votes withheld than votes for such election will promptly tender his or her resignation to the Chair of the Board of directors following such meeting of the Company's shareholders. The Board's Nominating and Corporate Governance Committee will consider the offer of resignation and make a recommendation to the Board whether to accept it.

In making its recommendation with respect to a director's resignation, the Nominating and Corporate Governance Committee will consider, in the best interests of the Company, the action to be taken with respect to such offered resignation, which may include (i) accepting the resignation, (ii) recommending that the director continue on the Board but addressing what the Nominating and Corporate Governance Committee believes to be the underlying reasons why shareholders withheld votes for election from such director or (iii) rejecting the resignation.

The Board will consider the Nominating and Corporate Governance Committee's recommendation within 90 days following the Company's annual meeting, and in considering such recommendation, the Board will consider the factors taken into account by the Nominating and Corporate Governance Committee and such additional information and factors that the Board considers to be relevant. The Board will promptly disclose its decision by a press release, such press release to include the reasons for rejecting the resignation, if applicable. A director who tenders his or her resignation pursuant to this majority voting policy will not be permitted to participate in any meeting of the Board or the Nominating and Corporate Governance Committee at which the resignation is considered. If the resignation is accepted, subject to any applicable law, the Board may leave the resultant vacancy unfilled until the next annual general meeting, fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or call a special meeting of shareholders at which there will be presented one or more nominees to fill any vacancy or vacancies.

The Company intends to nominate each of the persons listed below for election as a director of the Company at the Meeting. The persons proposed for nomination are, in the opinion of the Board and management, well qualified to act as directors for the ensuing year. The persons named in the enclosed form of proxy intend to vote for the election of such nominees.

The information presented in the table below, other than the number of deferred share units (DSUs) held, has been provided by the respective nominee as of March 3, 2014. The number of Shares owned, controlled or directed includes Common Shares beneficially owned, controlled or directed, directly or indirectly, by the proposed nominee.

ROBERT WAUGH MURDOCH

Residence: Salt Spring Island, B.C.,
Canada

Age: 72

Independent

Director since: February 20, 2006

Mr. Murdoch is currently Chairman of the Board of the Company, a position he has held since 2008. Mr. Murdoch is a corporate director and spent most of his career with Lafarge, S.A. and affiliates (NYSE: LR ; Paris Stock Exchange (Eurolist): LG), starting in Vancouver in 1967 and retiring from the position of President and Chief Executive Officer of Lafarge North America Inc. (NYSE and TSX: LAF), North America's largest diversified supplier of construction materials, in 1992. Mr. Murdoch was a member of the Board of Directors of Lafarge, S.A., the Paris-based parent company of Lafarge North America, until 2005. Mr. Murdoch holds a Bachelor of Laws degree from the University of Toronto.

Other directorships:

Shares owned, controlled or directed:
18,856

DSUs held: 13,031 ⁽¹⁾

Lallemand Inc. (a private company specializing in the development, production and marketing of yeast and bacteria products) Director

Committees:

Weatherhaven Inc. (a private company supplying portable shelter systems)
Advisory Board Chair

Member of the Nominating and
Corporate Governance Committee

PETER JAMES BLAKE

Residence: Vancouver, B.C., Canada

Age: 52

Not Independent

Director since: December 12, 1997

Mr. Blake is currently Chief Executive Officer of the Company, a position he has held since 2004. Prior to his appointment, and since joining the Company in 1991, Mr. Blake held various positions with the Company, including Chief Financial Officer (1997-2004), Vice President, Finance (1994 to 1997) and Controller (1991 to 1994). Mr. Blake is a Fellow of the Institute of Chartered Accountants and has a Bachelor of Commerce Degree from the University of Alberta.

Shares owned, controlled or directed:
146,608

DSUs held: nil⁽¹⁾

Committees:

N/A

BEVERLEY ANNE BRISCOE

Residence: Vancouver, B.C., Canada

Age: 59

Independent

Director since: October 29, 2004

Shares owned, controlled or directed:
15,288

DSUs held: 6,093 ⁽¹⁾

Ms. Briscoe was appointed Deputy Chairperson of the Board of the Company effective September 23, 2013. Ms. Briscoe is currently the owner and President of Briscoe Management Ltd., a consulting company that she has owned since 2004. From 2003 to 2007, Ms. Briscoe was also Chair of the Industry Training Authority for British Columbia. Ms. Briscoe's previous employment includes: from 1997 to 2004 she was President and owner of Hiway Refrigeration Limited; from 1994 to 1997 she was Vice President and General Manager of Wajax Industries Limited; from 1989 to 1994 she was Chief Financial Officer for the Rivtow Group of Companies; from 1983 to 1989 she held various executive positions with several operating divisions of The Jim Pattison Group; and from 1977 to 1983 she worked with a predecessor firm of PricewaterhouseCoopers. Ms. Briscoe is a Fellow of the Institute of Chartered Accountants and has a Bachelor of Commerce degree from the University of British Columbia, and is also a Fellow of the Institute of Corporate Directors.

Other directorships:

Committees:

Goldcorp Inc. (TSX: G ; NYSE: GG a public gold and precious metal company) Director; Chair of the Audit Committee and member of the Environmental Health and Safety Committee

Member of the Audit Committee.

Member of the Nominating and Corporate Governance Committee.

Member of the CEO Search Committee.

Chair of the Transition Committee.

ROBERT GEORGE ELTON

Residence: Vancouver, B.C., Canada

Age: 62

Independent

Director since: April 30, 2012

Shares owned, controlled or directed:
nil

DSUs held: 4,505 ⁽¹⁾

Committees:

Chair of the Audit Committee.

Member of the Compensation
Committee.

Member of the Transition Committee.

ERIK OLSSON

Residence: Scottsdale, AZ, USA

Age: 51

Independent

Director since: June 1, 2013

Shares owned, controlled or directed:
nil

Mr. Elton is currently acting as Executive Sponsor, Banking Transformation, of Vancouver City Savings Credit Union. Mr. Elton is also a corporate director and an adjunct professor at the University of British Columbia's Sauder School of Business. Mr. Elton was President and Chief Executive Officer of BC Hydro, a government-owned electric utility, from 2003 to 2009. Prior to this he was Executive Vice President Finance and Chief Financial Officer of BC Hydro (2002-2003), Powerex (2001-2002), a subsidiary of BC Hydro, and Eldorado Gold Corporation (1996-2001) (TSX: ELD ; NYSE: EGO ; ASX: EAU). Mr. Elton spent over 20 years with PriceWaterhouseCoopers and predecessor firms, becoming Partner in 1987 before leaving the firm in 1996. He is a Fellow of the Institute of Chartered Accountants in British Columbia and has a Master of Arts degree from Cambridge University, U.K.

Other directorships:

Aquatics Informatics Inc. (a private software company) Director

Corix Utilities (a private utility infrastructure company) Director

Nurse Next Door (a private company) Chair, Business Advisory Board

Mr. Olsson is currently President, Chief Executive Officer and a Director of Mobile Mini, Inc. (NASDAQ-GS: MINI), the world's leading provider of portable storage solutions. Mr. Olsson had previously been President, Chief Executive Officer, and a Director of RSC Holdings, Inc., a premier provider of rental equipment in North America, prior to its acquisition by United Rentals, Inc. in April 2012. Prior to that he served as Chief Financial Officer and Chief Operating Officer of RSC Holdings, Inc. In addition, he held various senior positions in the United States, Brazil, and Sweden in his 13 years with mining equipment maker Atlas Copco AB, an industrial group with world-leading positions in compressors, construction and mining equipment. Erik holds a degree in Business Administration and Economics from the University of Gothenburg.

Other directorships:

DSUs held: 1,547⁽¹⁾

Mobile Mini, Inc. (NASDAQ-GS: MINI self storage company)

Committees:

Subject to being elected at the Meeting, Mr. Olsson is expected to be appointed as a member of the Compensation Committee.

ERIC PATEL

Residence: Vancouver, B.C., Canada

Age: 55

Independent

Director since: April 16, 2004

Mr. Patel is currently a business consultant and corporate director. He was previously Chief Financial Officer of Pembroke Mining Corp., a private mining company, from 2007 until 2010. Prior to joining Pembroke, Mr. Patel was the Chief Financial Officer of Crystal Decisions, Inc., a privately held software company. Mr. Patel joined Crystal Decisions in 1999 after holding executive level positions, including that of Chief Financial Officer, with University Games, Inc., a privately held manufacturer of educational toys and games. Before 1997, Mr. Patel worked for Dreyer's Grand Ice Cream as Director of Strategy, for Marakon Associates strategy consultants and for Chemical Bank. Mr. Patel holds an MBA degree from Stanford University and a Bachelor of Arts degree from Brown University.

Shares owned, controlled or directed:
19,445

DSUs held: 5,430⁽¹⁾

Committees:

Chair of Nominating and Corporate Governance Committee.

Member of the Audit Committee.

Chair of the CEO Search Committee.

Other directorships:

ACL Services Ltd. (a private software company) Advisory Board Chair

Daiya Foods Inc. (a private food company) Chair

Terramera Inc. (a private bio-pesticides company) Director

EDWARD BALTAZAR PITONIAK Mr. Pitoniak is currently a corporate director. Mr. Pitoniak retired in 2009 from the position of President and Chief Executive Officer and Director of bcIMC Hospitality Group, a hotel property and brand ownership entity (formerly a public income trust called Canadian Hotel Income Properties Real Estate Investment Trust (CHIP) (TSX: HOT.un), where he was employed since January 2004. Mr. Pitoniak was also a member of CHIP's Board of Trustees before it went private. Prior to joining CHIP, Mr. Pitoniak was a Senior Vice-President at Intrawest Corporation (TSX: ITW ; NYSE IDR a ski and golf resort operator and developer) for nearly eight years. Before Intrawest, Mr. Pitoniak spent nine years with Times Mirror Magazines, where he served as editor-in-chief and advertising director with Ski Magazine. Mr. Pitoniak has a Bachelor of Arts degree from Amherst College.

Residence: Exeter, RI, U.S.A.

Age: 58

Independent

Director since: July 28, 2006

Shares owned, controlled or directed:
7,121

DSUs held: 5,430 ⁽¹⁾

Other directorships:

Regal Lifestyle Communities Inc. (TSX: RLG a public company) Director;
Chair of the Investment & Environmental Committee and member of the
Audit Committee

Committees:

Chair of Compensation Committee.

Member of the Audit Committee.

Member of the Transition Committee.

CHRISTOPHER ZIMMERMAN Mr. Zimmerman is currently Principal of Bonfire Ventures, a business consultancy focused on developing disruptive growth strategies. Prior to this, he was President of Easton Sports, a designer, developer and marketer of sports equipment and accessories. Prior to joining Easton Sports, Mr. Zimmerman was President and Chief Executive Officer of Canucks Sports and Entertainment, a sports entertainment company in Vancouver, B.C, from 2006 until 2009. Before joining Canucks Sports and Entertainment, Mr. Zimmerman was the President and Chief Executive Officer of Nike Bauer Inc., a hockey equipment company. Prior to this appointment in March 2003, Mr. Zimmerman was General Manager of Nike Golf USA. He joined Nike Golf in 1998 after spending 16 years in a variety of senior advertising positions, including USA Advertising Director for the Nike Brand and Senior Vice President at Saatchi and Saatchi Advertising in New York. Mr. Zimmerman has an MBA from Babson College.

Residence: Manhattan Beach, CA,
USA

Age: 54

Independent

Director since: April 11, 2008

Shares owned, controlled or directed:
6,856

DSUs held:5,430⁽¹⁾

Committees:

Member of the Compensation
Committee

(1) For information regarding DSUs and the Company's Non-Executive Director Deferred Share Unit Plan (the "DSU Plan"), see "Non-Executive Director Deferred Share Unit Plan" on page 9 of this Information Circular. The Company is not aware that any of the above nominees will be unable or unwilling to serve as a director of the Company. However, should the Company become aware of such an occurrence before the election of directors takes place at the Meeting, the Board may select substitute nominees at its discretion. The persons named in the enclosed form of proxy intend to vote for the election of any such substitute nominees.

In addition to the information presented above regarding Common Shares beneficially owned, controlled or directed, Mr. Blake, the Chief Executive Officer of the Company, was the only director to hold stock options as of March 3, 2014. None of the Company's non-executive directors have been granted stock options since their appointment. The Company ceased granting stock options to non-executive directors in 2004, and, pursuant to the Company's Policy Regarding the Granting of Equity Based Compensation Awards (the Stock Option Policy), will not do so in the future.

Chair of the Board

Robert Murdoch is currently the Chairman of the Board and is an independent director and, therefore, the Board has not appointed a Lead Independent Director. Beverley Briscoe is currently the Deputy Chairperson of the Board and is an independent director. As indicated above, if Ms. Briscoe is re-elected as a director at the Meeting, it is anticipated that she will be appointed Chair of the Board upon Mr. Murdoch's retirement from that position. Any shareholder wishing to contact the Chair of the Board may do so by phoning [778-331-5300] or by sending an email to LeadDirector@rbauction.com.

Committees of the Board

The Board has the following standing committees:

Audit Committee

Nominating and Corporate Governance Committee

Compensation Committee

Information regarding these committees and their functions is included under Report on Corporate Governance on page 41.

Additional disclosure relating to the Company's Audit Committee as required under Multilateral Instrument 52-110 is contained in the Company's Annual Information Form under the heading Audit Committee Information. The Annual Information Form of the Company has been filed on SEDAR and is available on their website at www.sedar.com. A copy of the Company's Annual Information Form may also be obtained by making a request to the Corporate Secretary of the Company.

In October 2013, the Board formed two additional temporary committees of the Board:

CEO Search Committee formed for the purpose of overseeing the identification and hiring of a new Chief Executive Officer to replace Mr. Blake

Transition Committee formed to oversee the transition of management and the Company's ongoing strategic plans under the new Chief Executive Officer, once appointed

Board and Committee Attendance

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The following tables present information about Board and committee meetings and attendance by directors at such meetings for the year ended December 31, 2013. The overall 2013 attendance record by directors at Board and committee meetings was 100%.

Board and Committee Meetings Held

	Number of Meetings
Board of Directors	12
Audit Committee	4
Compensation Committee	3
Nominating and Corporate Governance Committee	5
CEO Search Committee	6
Transition Committee	2

Summary of Attendance of Directors

Director	Board Meetings	Audit Committee Meetings	Compensation Committee Meetings	Nominating & Corporate Governance Committee Meetings	CEO Search Committee	Transition Committee
Robert Murdoch	12 of 12 (Chair)	N/A	N/A	5 of 5	6 of 6	N/A
Peter Blake ⁽¹⁾	9 of 9	N/A	N/A	N/A	N/A	N/A
Beverley Briscoe	12 of 12	4 of 4	N/A	5 of 5	6 of 6	2 of 2 (Chair)
Robert Elton ⁽²⁾	12 of 12	4 of 4 (Chair)	3 of 3	N/A	N/A	2 of 2
Erik Olsson ⁽³⁾	9 of 9	1 of 1	N/A	1 of 1	N/A	N/A
Eric Patel	12 of 12	4 of 4	N/A	5 of 5 (Chair)	6 of 6 (Chair)	N/A
Edward Pitoniak	12 of 12	4 of 4	3 of 3 (Chair)	N/A	N/A	2 of 2
Christopher Zimmerman	12 of 12	N/A	3 of 3	N/A	N/A	N/A

- (1) As discussed on page 1, Mr. Blake has agreed to stand for re-election as a director, but intends to resign as a director following the appointment of a new Chief Executive Officer of the Company. Three of the 12 Board meetings were designated as in-camera meetings of the Independent Directors, which Mr. Blake did not attend.
- (2) Mr. Elton was appointed Chair of the Audit Committee effective April 25, 2013.
- (3) Mr. Olsson was appointed as a director in June 2013 and the attendance noted in the table for him reflects the number of Board meetings that took place after his appointment. While Mr. Olsson was not a member of the Audit or Nominating & Corporate Governance Committees, he attended meetings of the committees as part of his orientation as a new director.

Skills Matrix

The Nominating & Corporate Governance Committee maintains and updates from time to time an inventory of the competencies, capabilities and skills of current Board members. The following matrix is used as a reference tool for the ongoing assessment of Board composition, to ensure that diversity is considered as new Board members are being assessed and to identify any gaps in the competencies that are required to successfully advance the overall strategy of the Company.

Name	General Business Skills					Functional Experience							
	Large Organizational Experience	CEO Experience	Overseas Experience	Accounting Knowledge	Recruitment & Development	Environmental, Health & Safety	Financial / Investments	IT Infrastructure & Security	Marketing	Organizational Structure	Sales	Strategic Planning	Industrial Equipment Industry
Robert Murdoch	x	x	x		x	x					x	x	x
Beverley Briscoe	x	x	x	x	x	x	x			x		x	x
Robert Elton	x	x		x	x	x		x				x	
Erik Olsson	x	x	x	x	x		x			x		x	x
Eric Patel	x		x	x	x		x	x				x	
Edward Pitoniak	x	x			x		x	x	x	x	x	x	
Christopher Zimmerman	x	x			x				x	x	x	x	

DIRECTOR COMPENSATION

Annual Meeting Fees

Non-executive directors of the Company, other than the Board Chairman and Deputy Chairperson, receive, in addition to reimbursement of reasonable travel and lodging expenses, an annual fee of \$100,000 for service on the Board. The Board Chairman was paid an annual fee of \$240,000. On September 23, 2013 the Board appointed Beverly Briscoe to the position of Deputy Chairperson in anticipation of Robert Murdoch's retirement as Chair of the Board in 2014. The Deputy Chairperson received, commencing in the fourth fiscal quarter of the Company, an annual fee of \$200,000, which was prorated for 2013.

In addition to the fee paid to non-executive directors as described above, the chair of the Audit Committee receives an additional \$15,000 annual fee, and the chair of each of the Compensation Committee and Nominating & Corporate Governance Committee receives an additional \$10,000 annual fee. The chair of the CEO Search Committee received a one-time fee of \$10,000, paid in 2013. The chair of the Transition Committee does not receive a separate fee.

Non-executive directors also receive a \$1,500 fee per minuted meeting, in person or by teleconference, in excess of 30 minutes. The Board Chairman and Deputy Chairperson are not entitled to meeting fees. Non-executive directors required to travel a day other than a meeting date when scheduling does not permit travel on the day of the meeting are also entitled to receive, in addition to reimbursement for travel expenses, a \$1,500 travel fee.

Subject to the provisions of the DSU Plan (see discussion below), annual retainer and other fees were paid to non-executive directors on the following basis:

Description of Fee	Amount of Fee (U.S.\$)
Annual fee for Board Chair ⁽¹⁾	240,000
Annual fee for Deputy Chairperson ⁽²⁾	200,000
Annual fee for Board Membership ⁽¹⁾	100,000
Annual fee for Audit Committee chair	15,000
Annual fee for Compensation Committee chair	10,000
Annual fee for Nominating & Corporate Governance Committee chair	10,000
Annual fee for CEO Search Committee chair ⁽³⁾	10,000
Meeting fee (per minuted meeting in excess of 30 minutes)	1,500
Travel fee ⁽⁴⁾	1,500

- (1) Subject to the provisions of the DSU Plan, the annual fees are payable in four equal amounts on a quarterly basis (less applicable source deductions).
- (2) Ms. Briscoe was appointed to the newly created temporary position of Deputy Chairperson effective September 23, 2013.
- (3) One-time fee paid in 2013. It is not anticipated that any fee will be paid to the chair of the CEO Search Committee or the Transition Committee in 2014.
- (4) A travel fee is paid to non-executive directors required to travel on a day other than the meeting date when scheduling does not permit travel on the day of the particular meeting. This fee is in addition to reimbursement for travel expenses.

Non-Executive Director Deferred Share Unit Plan

Effective January 1, 2012, the Board approved the adoption of a deferred share unit plan for non-executive directors to further align the interests of directors with the interests of the Company's shareholders and provide a tax effective way for directors to build share ownership (or the equivalent thereof). The Board also introduced share ownership guidelines for directors, which require each non-executive director to hold a minimum of three times their annual fee for Board service in Common Shares or deferred share units.

If a non-executive director has not, prior the commencement of the current year, satisfied share ownership guidelines, the director must receive 60% of his or her annual Board retainer (the annual fees paid to a director for service on the Board, including the annual fee paid to the Board Chair and Deputy Chairperson, but excluding fees for chairmanship of Board committees and other fees) in the form of DSUs, rather than in cash. The remainder of the annual Board retainer is paid in cash, quarterly in arrears. If a non-executive director has satisfied share ownership guidelines, the director may elect to receive all or none of the 60% in DSUs, with the remainder paid in cash. The portion of the annual Board retainer which is paid in the form of DSUs is credited annually in arrears, following the end of the year to which the fees relate. The number of DSUs credited to a director is calculated by dividing the dollar amount of the

annual Board retainer to be paid in the form of DSUs by the fair market value of a Common Share on the date the DSUs are credited, being the volume weighted average price of the Common Shares reported by the New York Stock Exchange for the immediately preceding twenty trading days.

On March 11, 2014, the following DSUs were credited to non-executive directors in respect of 2013:

Director⁽¹⁾	Number of DSUs Credited⁽²⁾
Robert Murdoch	6,366
Beverley Briscoe	3,316
Robert Elton	2,653
Erik Olsson	1,547
Eric Patel	2,653
Edward Pitoniak	2,653
Christopher Zimmerman	2,653

(1) Mr. Blake does not participate in the DSU Plan.

(2) All DSUs indicated were credited on March 11, 2014. The grant date fair value was \$22.62 per DSU. The grant date fair value of the DSUs credited is included in the Directors' Total Compensation table below.

Although DSUs vest immediately upon being granted under the DSU Plan, no amount is payable to the non-executive director holding the DSUs until the director ceases to be a director, following which the director will be entitled to receive a lump sum cash payment, net of any applicable withholdings, equal to the number of DSUs held multiplied by the fair market value of one Common Share (determined as described above) as of the 24th business day after the first publication of the Company's interim or annual financial statements and management's discussion and analysis for the fiscal quarter of the Company next ending following the director ceasing to hold office. Additional DSUs are credited under the DSU Plan corresponding to dividends declared on the Common Shares. DSUs are considered equivalent to Common Shares for purposes of determining whether a director is complying with or satisfying share ownership guidelines.

In connection with the adoption of the DSU Plan, the Company's long term incentive plan for non-executive directors (the Non-Executive Director LTIP) was amended to provide that the Company would cease to pay contributions for participants under such plan to the plan administrator in respect of annual fees earned after January 1, 2012.

Long Term Incentive Plan for Non-Executive Directors

The Company adopted the Non-Executive Director LTIP in 2009. Under this plan, prior to 2012, part of the annual retainer of non-executive directors was used to purchase Common Shares. Such shares were purchased by the administrator of the plan through open market purchases and held by the plan administrator on behalf of the participants. Participants are not permitted to withdraw any Common Shares so held unless a certain event occurs or certain conditions are satisfied (e.g. the termination, retirement or resignation of the participant as a director of the Company). Commencing in 2012, with the introduction of the DSU Plan discussed above, non-executive directors ceased to contribute to the Non-Executive Director LTIP. However, Common Shares previously acquired and held under the plan are required to be held in the plan until participants cease to serve on the Board.

Directors Total Compensation

The following table sets out the total compensation by director for the year ended December 31, 2013:

Director	Annual Board fees ⁽¹⁾	Committee chair fees	Meeting fees	Travel fees	Total fees	Share-based awards ⁽²⁾	All other comp. ⁽³⁾	Total
Robert Murdoch	\$ 96,000	Nil	Nil	\$ 21,000	\$ 117,000	\$ 144,000	\$ 2,500	\$ 263,500
Peter Blake ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Beverley Briscoe ⁽⁵⁾	\$ 50,000	\$ 4,725	\$ 21,000	Nil	\$ 75,725	\$ 75,000	\$ 1,050	\$ 151,775
Robert Elton ⁽⁶⁾	\$ 40,000	\$ 10,275	\$ 30,000	Nil	\$ 80,275	\$ 60,000	\$ 700	\$ 140,975
Erik Olsson ⁽⁷⁾	\$ 23,333	Nil	\$ 16,500	\$ 6,000	\$ 45,833	\$ 35,000	Nil	\$ 80,833
Eric Patel	\$ 40,000	\$ 20,000	\$ 40,500	Nil	\$ 100,500	\$ 60,000	\$ 1,050	\$ 161,550
Edward Pitoniak	\$ 40,000	\$ 10,000	\$ 30,000	\$ 21,000	\$ 101,000	\$ 60,000	\$ 1,050	\$ 162,050
Christopher Zimmerman	\$ 40,000	Nil	\$ 21,000	\$ 9,000	\$ 70,000	\$ 60,000	\$ 1,050	\$ 131,050
Total	\$ 329,333	\$ 45,000	\$ 159,000	\$ 57,000	\$ 590,333	\$ 494,000	\$ 7,400	\$ 1,091,733