

MORNEAU SHEPELL INC.

AMENDED AND RESTATED
EMPLOYEE SHARE PURCHASE PLAN

March 5, 2014

Amended and Restated on March 2, 2017

Morneau Shepell Inc.
Amended and Restated
Employee Share Purchase Plan

Article 1 - Purpose

- 1.1 The Plan constitutes the Morneau Shepell Inc. Amended and Restated Employee Share Purchase Plan. This Plan was originally adopted on March 5, 2014 and is amended and restated on March 2, 2017.
- 1.2 The purpose of this Plan is to encourage Employees to invest in Common Shares of the Corporation through Employee savings and to allow the Corporation to provide Common Shares as an incentive to Employees through Employer Contributions (all as defined below).

Article 2 - Definition

- 2.1 In this Plan, unless the context otherwise requires:
- (a) “**Act**” means the *Income Tax Act* (Canada);
 - (b) “**Administrator**” means Morneau Shepell Ltd. or such other entity designated by the Board to administer this Plan;
 - (a) “**Affiliate**” has the meaning assigned by National Instrument 45-106 – *Prospectus and Registration Exemptions*;
 - (c) “**After Tax Earnings**” means a Participant’s Pre-Tax Earnings less the applicable Source Deductions with respect to those Pre-Tax Earnings;
 - (d) “**Blackout Period**” means a blackout period contemplated in the Corporation’s Insider Trading Policy;
 - (e) “**Board**” means the Board of Directors of the Corporation or, where applicable and as permitted or authorized by the Board of Directors of the Corporation any committee or person duly authorized to oversee and make decisions relating to the Plan;
 - (f) “**Broker**” means a brokerage firm or broker selected by the Administrator to assist with the purchases of Common Shares pursuant to this Plan,
 - (g) “**business day**” means a day on which banks are open for business in Toronto, Ontario but does not include a Saturday, Sunday or holiday in the Province of Ontario;
 - (h) “**Canadian Participant**” means a Participant that is resident in Canada;
 - (i) “**Common Share**” means a common share in the capital of the Corporation;

- (j) “**Contribution Period**” means the period beginning on any Purchase Date and ending on the day previous to the next Purchase Date;
- (k) “**Corporation**” means Morneau Shepell Inc., a corporation incorporated under the laws of the Province of Ontario and, where the context so indicates or requires, its Affiliates;
- (l) “**Custodian**” means the custodian of Common Shares in the Plan, as may be appointed from time to time by the Board or its designate;
- (m) “**Custodian Account**” means the account held by the Administrator with the Custodian for the Participants for Personal Contributions, Employer Contributions, and beneficial ownership, receipt of dividends (if any) on and purchase and sale of Common Shares;
- (n) “**Employee**” means a regular benefits eligible employee of the Corporation or of an Affiliate of the Corporation, and may include an employee who is on leave of absence from the Corporation or from an Affiliate of the Corporation, but does not include members of the Board of the Corporation, any probationary employee or a temporary full-time or part-time employee who is not otherwise eligible for other benefits offered by the Corporation or Affiliate;
- (o) “**Employee Common Shares**” means Common Shares which are purchased under this Plan with Personal Contributions and which are subject to the terms and provisions of this Plan;
- (p) “**Employer Common Shares**” means Common Shares which are purchased under this Plan with Employer Contributions and which are subject to the terms and provisions of this Plan;
- (q) “**Employer Contributions**” means contributions made by the Corporation or an Affiliate who is the employer of the Participant on behalf of a Participant pursuant to this Plan in the form of cash or the issuance of Common Shares from treasury;
- (r) “**Insider**” means any “reporting insider”, as such term is defined in National Instrument 55-104 – *Insider Reporting requirements and Exemptions*, of the Corporation;
- (s) “**Insider Trading Policy**” means the Morneau Shepell Insider Trading Policy dated January 1, 2011, as the same may be amended or supplemented from time to time;
- (t) “**Maturation Period**” has the meaning ascribed thereto in Section 9.6;
- (u) “**Participant**” means an Employee who has enrolled in the Plan in accordance with the provisions thereof;

- (v) **“Participant Portal”** means the Generation Flex portal, or such other tool established by the Corporation to enable Employees to manage their participation in this Plan in accordance with the terms herein;
- (w) **“Payroll Cycle”** means each ordinary course payroll cycle processed by the Corporation or Affiliate employer of a Participant, currently occurring twice monthly, for a total of 24 cycles in each calendar year;
- (x) **“Personal Contributions”** means the cash contributions made by a Participant under this Plan;
- (y) **“Plan”** means ~~the~~ this Amended and Restated Employee Share Purchase Plan of the Corporation set out herein, as the same may be amended from time to time;
- (z) **“Pre-Tax Earnings”** means the annual base salary received by a Participant and, unless included by the Board, does not include any bonus or other special compensation, all prior to any Source Deductions;
- (aa) **“Purchase Date”** means on or about the fifth business day after each payroll cycle of the Corporation or its Affiliate, as applicable, in every calendar year is completed, or such other schedule as the Board may determine from time to time;
- (bb) **“Source Deductions”** means amounts deductible by an employer from Pre-Tax Earnings with respect to income taxes, Canada Pension Plan contributions, Quebec Pension Plan, Quebec Parental Insurance Plan, Employment Insurance contributions or amounts payable as contributions to any health or benefit plan, or such other statutory deductions that may from time to time be applicable;
- (cc) **“Taxable Income”** means taxable income under the Act;
- (dd) **“Treasury Purchase Price”** means the volume weighted average trading price of Common Shares on the TSX for the five trading days immediately prior to the Treasury Purchase Price Determination Date, less a discount of between 10% and 20% (or such other discount as the Board may determine), and for greater certainty, the effective purchase price for a Participant at the time of purchase of any Common Shares will be this discounted price, but for the Administrator’s record-keeping purposes the full, non-discounted price will be recorded in such Participant’s Custodian Account, with between 90% and 80% of such price being recorded as the Participants’ Personal Contribution and between 10% and 20% of such price being recorded as the Employer Contribution (or the relative corresponding proportions should the Board adjust the discount amount);
- (ee) **“Treasury Purchase Price Determination Date”** means the last day of each month-end payroll cycle of the Corporation, or such other date as established by the Board from time to time;
- (ff) **“TSX”** means the Toronto Stock Exchange;

- (gg) “**Undisclosed Material Information**” means any material information, as defined in the Insider Trading Policy that has not been publicly disseminated by the Corporation;
- (hh) “**U.S. Employee**” means an Employee that is resident in the United States of America; and
- (ii) “**U.S. Participant**” means a Participant that is resident in the United States of America.

2.2 Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing a male person include a female person and a corporation and other bodies corporate.

Article 3 - Eligibility

3.1 Any Employee, unless excluded from participation in the Plan by the Board, may become a Participant at any time; however an Employee’s eligibility to receive or be entitled to receive Employer Contributions pursuant to the terms herein will only commence after that Employee has completed twelve months of continuous service with the Corporation or an Affiliate thereof. For purposes of this Article, periods of service completed prior to adoption of this Plan will count toward meeting the eligibility requirements. ~~Upon inception of this Plan, all Employees with less than twelve months service but who would otherwise complete twelve months of continuous service on or prior to December 31, 2013 shall be eligible to participate.~~

Article 4 - Enrolment in the Plan

- 4.1 To enroll in the Plan, an Employee must, at least 10 business days before the day on which Personal Contributions are to begin (unless as otherwise permitted by the Board), complete and submit to the Corporation the enrolment form prescribed by the Administrator authorizing the Corporation or its Affiliate, as applicable, to deduct from the Employee’s After Tax Earnings the amount designated by the Employee in accordance with Section 5.1 (or in the case of a U.S. Employee, the amount specified in accordance with **Appendix A** hereto) until such authorization shall be revised, revoked, suspended or terminated, and agreeing to the terms and conditions of the Plan. The enrolment form will also authorize the Administrator to cause Common Shares to be acquired on behalf of Participants in accordance with terms of the Plan. In addition to any other restrictions set forth herein, in accordance with the Insider Trading Policy no enrollment, changes or dispositions of Shares may be initiated during a Blackout Period.
- 4.2 Subject to Articles 10, and 11 all funds and Common Shares held by the Custodian pursuant to the Plan are held for the account of the individual Participants. Subject to Articles 10 and 11 , a Participant shall be the beneficial owner of all Common Shares purchased on his or her behalf.

- 4.3 All Common Shares issued or purchased in respect of U.S. Employees will, upon such issuance or purchase, be (or will be exchanged for) restricted Common Shares and shall be governed by the provisions set out in Appendix A hereto.

Article 5 – Personal and Employer Contributions

- 5.1 A Participant who has elected to make Personal Contributions and has not suspended contributions shall make Personal Contributions to the Plan as specified in that Participant's enrolment form, provided that such Personal Contributions may not exceed 10% of his or her Pre-Tax Earnings (or such other limit as may be approved by the Board from time to time), provided that Personal Contributions shall be made on each Payroll Cycle from the Participant's After-Tax Earnings, after all applicable Source Deductions have been taken. The Corporation shall deduct from each Participant's pay owing the amount of that Participant's Personal Contributions and the Source Deductions applicable thereto.
- 5.2 In respect of each Contribution Period, subject to Section 5.3, the Corporation shall deposit with the Custodian, for allocation on behalf of each Participant and which funds shall be deposited to the Participant's Custodian Account on his or her behalf, an Employer's Contribution ~~in equal to~~ a cash amount ~~equal to~~ in the range of 11.11% to 25.00% of the cash amount of a Participant's Personal Contributions, as determined by the Corporation in its sole discretion, for such Contribution Period, up to a maximum of \$500,000 per calendar year (or such other maximum amount as may be approved by the Board from time to time) as determined by the Corporation in its sole discretion.
- 5.3 At such time as the Corporation, subject to such approvals as contemplated in Section 17.2, elects to provide that Common Shares otherwise to be purchased with Personal Contributions and Employer Contributions as described in Section 5.2 are to instead be acquired by way of treasury issuance from the Corporation, then the Corporation shall not be required to make the cash payment for allocation to the Participant's Custodian Account referred to in Section 5.2 above and instead shall issue to the Participant (by way of allocation of such Common Shares to the Participant's Custodian Account) that number of Common Shares equal to the amount of Personal Contributions available during the relevant Contribution Period using a price per Common Share equal to the Treasury Purchase Price, up to a maximum amount of \$500,000 per calendar year (or such other maximum amount as may be approved by the Board from time to time) as determined by the Corporation in its sole discretion.
- 5.4 Provided the Participant does not have possession of Undisclosed Material Information, a Participant may change the amount of or voluntarily suspend his or her Personal Contributions at any time outside of a Blackout Period which change shall be effective as of the next Payroll Cycle following the date of the notice, by giving written notice of the change, in the form prescribed by the Board, to the Corporation at least 10 business days before the date on which the change or suspension is to take effect (or such other date as the Administrator may establish). To the extent that such Personal Contributions are changed or suspended, the corresponding Employer Contributions shall also be proportionately changed or suspended.

- 5.5 Any notice of any change or suspension given to the Corporation during any such Blackout Period shall be of no effect.
- 5.6 During any Blackout Period, regular purchases of Common Shares made by the Broker on behalf of a Participant or the issuance of Common Shares to the Participant from treasury, as the case may be, shall continue to be made on the same basis as such purchases were ordinarily made in the period preceding the relevant Blackout Period.
- 5.7 Personal Contributions and Employer Contributions not made during a period of suspension shall not be accumulated or carried forward for later payment. During a period of complete suspension of all Personal Contributions, a Participant shall continue to be a member of the Plan for all purposes other than the making of Personal Contributions and Employer Contributions until that Participant's participation in the Plan is automatically terminated pursuant to Article 10, or that Participant voluntarily terminates his or her participation in the Plan pursuant to Article 11, or the Plan is terminated pursuant to Article 17.

Article 6 – Custodian Accounts

- 6.1 The Administrator shall establish a Custodian Account with the Custodian for the Plan and shall record and hold in the Custodian Account for the Participant the amount of all Personal Contributions made by the Participant, the amount of all Employer Contributions made on behalf of the Participant, the Common Shares issued and/or purchased for the Participant, all dividends (if any) or other amounts with respect to such Common Shares, all proceeds from any sale of such Common Shares, and the amount of any expenses allocated to the Participant's Custodian Account.
- 6.2 All Personal Contributions, Employer Contributions, Common Shares, dividends (if any) on Common Shares and proceeds from the sale of Common Shares held pursuant to the Plan shall be held in the Custodian Accounts for the individual Participants. A Participant shall be the beneficial owner of all amounts held for his account in the Custodian Account.

Article 7 - Investment of Funds

- 7.1 On the last day of a Payroll Cycle, the Corporation or Affiliate employer shall deposit with the Custodian the amount of all Personal Contributions and, to the extent applicable, Employer Contributions for that Payroll Cycle, and shall advise the Administrator of the Personal Contributions received from each Participant and the amount of Employer Contributions made on behalf of each Participant.
- 7.2 In addition to the foregoing, as soon as practicable after the close of trading on the TSX on the last trading day of each Contribution Period, the Corporation shall determine the Treasury Purchase Price for the purposes of issuances of Common Shares, if any, which are to be made on the Purchase Date immediately following the end of such Contribution Period. The Corporation, to the extent the Common Shares to be acquired for the benefit of the Participant are to be issued from treasury, shall also calculate and advise the Administrator of the amount of Employer Contributions applicable to each Participant

with respect to that Contribution Period (which will not be payable in cash as contemplated in Section 5.3).

- 7.3 Upon receipt of the information outlined in Section 7.1 and 7.2, the Administrator shall record in each Participant's Custodian Account the amount of that Participant's Personal Contributions and the amount of any Employer Contributions made on behalf of that Participant.
- 7.4 All funds deposited to the Custodian Account from Personal Contributions and Employer Contributions, as well as all cash dividends (if any) paid on the Common Shares (unless the Board determines otherwise) held by the Custodian for and on behalf of the Participants in their Custodian Accounts (other than dividends paid to U.S. Participants), shall be aggregated and either (i) subject to Section 7.7, used to purchase Common Shares on the market; or (ii) automatically transferred to the Corporation in connection with the issuance by the Corporation of Common Shares from treasury. Common Shares shall be purchased through the facilities of the TSX at prevailing market prices or, upon the necessary approvals required to enable the Corporation to issue Common Shares under this Plan (as contemplated in Section 17.2), shall be issued by the Corporation from the treasury of unissued Common Shares at the Treasury Purchase Price. Brokerage commissions in respect of such purchases shall be paid by the Corporation. The Administrator shall select a Broker for the efficient purchase of Common Shares by the Administrator on behalf of the Participants. The Administrator shall, upon engagement of the Broker, instruct the Broker to effect all purchases in accordance with all applicable laws, including, without limitation, all rules, regulations and by-laws of the TSX, including the normal course issuer bid restrictions and requirements, and policies of all applicable securities regulatory authorities.
- 7.5 Subject to Section 7.7, the Broker shall purchase, or the Corporation shall issue, as applicable, on each Purchase Date, such number of Common Shares as will satisfy the aggregate amount of all Personal Contributions received from, and all Employer Contributions made (or to be made, upon issuance from treasury of the Common Shares) on behalf of, all Participants under the Plan for the preceding Contribution Period. Subject to any applicable termination provisions of the Plan, each Participant shall thereupon have an interest in the Common Shares purchased by the Broker for the benefit of the Participants (or issued by the Corporation) in proportion to his or her Personal Contributions and the Employer Contributions made on his or her behalf during the preceding Contribution Period.
- 7.6 Subject to Section 7.7, following the end of a Contribution Period, the Administrator shall allocate the Common Shares purchased or acquired during that Contribution Period on behalf of the Participants to the Custodian Account of each Participant in proportion to the Personal Contributions and Employer Contributions made on behalf of that Participant. Except where the Broker is unable to purchase a sufficient number of Common Shares, the Broker shall ensure that the amount of all Personal Contributions and Employer Contributions is converted to Common Shares.
- 7.7 If, for any reason, the Broker is unable to purchase a sufficient number of Common Shares on a Purchase Date to satisfy all Personal Contributions and Employer

Contributions for the preceding Contribution Period, the Broker shall purchase Common Shares as they become available and shall allocate the Common Shares so purchased to Participants' Custodian Accounts in order of the Contribution Period in respect of which the Personal Contributions and Employer Contributions were received by the Administrator. The Custodian Account for each Participant shall be recorded using a purchase price per Common Share equal to the average price paid to purchase all of the Common Shares for the relevant period for all Participants.

- 7.8 All warrants, options or rights ("**Exercisable Securities**") received by the Administrator on any Common Shares held pursuant to the Plan shall, where possible, be sold by the Administrator through the Broker on behalf of the Participants. The proceeds from the sale of any Exercisable Securities and any dividends received by the Administrator for Common Shares held pursuant to the Plan shall, in the case of Canadian Participants, be used to purchase additional Common Shares through the facilities of the TSX at prevailing market prices or, shall be issued by the Company from treasury in circumstances where the Company has received shareholder approval pursuant to Section 17.2 to issue Common Shares for purposes hereunder from treasury, which Common Shares shall be held in the Participants' respective Custodian Accounts in proportion to the number of Common Shares in those Custodian Accounts before the payment of the distribution or the issue of such Exercisable Securities. To the extent that any Exercisable Securities received by the Administrator on any Common Shares held pursuant to the Plan are non-transferable (either pursuant to their terms or pursuant to applicable law), the Administrator shall notify the Participants in writing as soon as reasonably practicable of the receipt and of the material terms of such Exercisable Securities. The Administrator shall only exercise such Exercisable Securities on receipt by the Administrator of written instructions from a Participant to such effect and receipt of all other information, verifications and payment required in order to effect a valid exercise of such Exercisable Securities. Any Common Shares which are issued as a result of the exercise of such Exercisable Securities shall be allocated to the Custodian Account of the Participant who instructed the Administrator to exercise such Exercisable Securities.
- 7.9 Brokerage commissions, transfer taxes and other charges or expenses arising from the sale of Common Shares will be added to the cost of the Common Shares or deducted from the proceeds of the sale thereof, as applicable.

Article 8 - Registration and Voting

- 8.1 Common Shares purchased under this Plan shall be registered in the name of the Administrator (for the benefit of the Participants) or such other name as the Administrator determines.
- 8.2 Whole Common Shares allocated to a Participant's Custodian Account will be voted by the Administrator in accordance with the directions, if any, of the Participant.

Article 9 - Withdrawals While a Participant

- 9.1 A Participant may make withdrawals of Common Shares or other amounts from his or her Custodian Account only as set out in this Article 9.

9.2 A Participant may request, in the form prescribed by the Administrator, that all or a portion of the Common Shares or other amounts in that Participant's Custodian Account be transferred and issued in his or her name or into a personal brokerage account or be sold.

Any fractional Common Shares credited to the Participant's Custodian Account shall be disregarded on any sale or transfer and the Participant shall be entitled to receive the cash equivalent of any such fractional Common Shares..

9.3 Subject to Section 9.4, the Administrator through the Broker shall sell the specified number of Common Shares or initiate the transfer of such Common Shares to the Participant's designated brokerage account by the end of the next business day after the notice date on which the Administrator received the written notice, or such other time as the Administrator may prescribe.

9.4 No sale may be initiated or completed during a Blackout Period.

9.5 Any sale of Common Shares will be made through the facilities of the TSX and at a price per share equal to prevailing market rates at the time of such sale. The net proceeds (after broker fees) of any sale will be transferred as soon as practicable to the Participant or such other person as the Participant may designate in the form prescribed by the Administrator.

9.6 In the event a Participant makes a sale (which, for greater certainty does not include a withdrawal or transfer to a Participant's personal brokerage account) of any portion of his or her Common Shares prior to the time that is 24 months (or such other time period as may be established by the Board) following the date on which such Common Shares were acquired (the "**Maturation Period**"), then such Participant shall be automatically suspended from his or her participation in the Plan for a period of twelve months, unless otherwise approved by the Board or its designate. Following the end of the twelve month suspension period, the Participant shall be entitled to re-enroll in the Plan in accordance with Section 4.1. For greater certainty, once the Maturation Period has elapsed in respect of Common Shares, the Participant shall be permitted to sell any portion of such matured Common Shares without triggering any further suspension.

9.7 In cases of hardship or other special or extraordinary circumstances, a Participant may make a request to the Board or its designate to permit the Administrator to permit such Participant's non-matured Common Shares, if any, to be sold prior to the end of the Maturation Period, and the Board may, in its discretion, permit such sale.

Article 10 – Deemed/Automatic Termination of Participation

10.1 A Participant's participation in the Plan shall automatically terminate if:

- (a) the Participant's employment with the Corporation or Affiliate voluntarily terminates or is terminated (for cause or otherwise) or the Participant ceases to be an employee with the Corporation or Affiliate for any reason, such termination of participation to be effective immediately on the date of cessation of his or her

active employment whether such day is selected by agreement with the individual or unilaterally by the Corporation and, for the avoidance of doubt, without regard to any notice of termination, pay in lieu of notice of termination, severance or other damages paid or payable to the Participant; or

(b) the Participant is no longer an eligible Employee for purposes of the Plan.

10.2 A Participant whose participation in the Plan has been terminated as provided in Section 10.1 or his or her executors or administrators, as the case may be, may elect to deal with the Common Shares in the Participant's Custodian Account by completing a notice in the form prescribed by the Administrator within 30 days after termination of the Participant's participation in the Plan requesting that:

(a) all Common Shares in his or her Custodian Account be transferred and issued in his or her name or as directed; or

(b) all such Common Shares be sold and the net proceeds distributed to the Participant (subject to the expiry of any relevant Blackout Period that may be in effect).

All Personal Contributions by such terminating Participant and all corresponding Employer Contributions shall cease from the next regular pay owing following the occurrence of any event described in Section 10.1. The Administrator shall make the necessary arrangements for delivery of the appropriate number of Common Shares to such terminating Participant to the brokerage account provided by the Participant. The Administrator shall, if requested, cause the sale of all Common Shares of a terminating Participant in accordance with this Section 10.2 and forward the net proceeds therefor to the Participant as soon as reasonably practicable following receipt of the notice described in this Section 10.2.

10.3 If no notice is filed within 90 days after the termination of a Participant's participation in the Plan, or such other time prescribed by the Corporation or the Administrator, the Participant or his or her executors or administrators shall be deemed to have elected to sell all the Common Shares in the Participant's Custodian Account, in accordance with subsection 10.2(b). In all instances, the Participant shall receive the cash equivalent for any fractional Common Share credited to his or her Custodian Account.

Article 11– Voluntary Termination by a Participant

11.1 In addition to the circumstances described in Section 10.1 and subject to Sections 5.4 and 5.5, any Participant may voluntarily terminate his or her participation in the Plan providing notice in the form prescribed by the Administrator and request that:

(a) all Common Shares in his or her Custodian Account be transferred and issued in his or her name or as directed; or

(b) all Common Shares be sold and the net proceeds distributed to the Participant.

All Personal Contributions by such terminating Participant and all corresponding Employer Contributions shall cease within 10 business days of the request for termination from the Plan, or such other time as prescribed by the Administrator. The Administrator shall make the necessary arrangements for the issuance and delivery of the appropriate number of Common Shares to such terminating Participant to the brokerage account designated by the Participant. The Administrator shall, if requested, cause the sale of all Common Shares of a terminating Participant in accordance with this Section 11.1 and forward the net proceeds therefor to the Participant as soon as reasonably practicable after receipt of any notice of termination. In all instances, the Participant shall receive the cash equivalent for any fractional Common Share credited to his or her Custodian Account.

Article 12 - Vesting

12.1 All Employer Common Shares and Employee Common Shares will vest immediately upon purchase or issuance, as the case may be. Subject to the automatic suspension provisions set forth in Section 9.6 which apply to a sale of Common Shares by a Participant prior to the end of a relevant Maturation Period and subject to any Blackout Period in effect, a Participant's ability to transfer or withdraw Employee Common Shares or Employer Common Shares will not be restricted.

Article 13 - Prohibition of Assignment of Interest

13.1 All rights of participation in the Plan are personal and no assignment or transfer of any interest in the Common Shares held in a Participant Custodian Account under the Plan will be permitted or recognized.

Article 14 - Taxes

14.1 For greater certainty, all income and other taxes, Canada Pension Plan contributions and Employment Insurance contributions applicable to Personal Contributions, Employer Contributions and transactions involving Common Shares held in a Participant's Custodian Account, including, without limitation, any taxes, penalties and/or interest payment payable in respect of:

- (a) Employer Contributions made on behalf of the Participant;
- (b) the sale or other disposition of Common Shares; and
- (c) dividends paid on the Common Shares or Taxable Income allocated to Common Shares

shall be on the account of the Participant and the Corporation or the Administrator, as the case may be, is authorized to make such Source Deductions as are required by the Act, including through deduction from any amounts payable to a Participant following a sale of that Participant's Common Shares on the Participant's behalf.

Article 15 - Offer for Common Shares

15.1 In the event that, at any time, a *bona fide* offer to purchase is made to some or all of the holders of Common Shares of the Corporation, which offer falls within the definition of “formal bid” under the *Securities Act* (Ontario) (as amended from time to time) or which, if accepted in whole or part, would result in the offeror exercising control of the Corporation within the meaning of subsection 1(3) of the *Securities Act* (Ontario) (as amended from time to time), then notice of such offer shall be given by the Administrator to each Participant to enable a Participant to tender his or her Common Shares to such offer should the Participant so desire. In such circumstances, then notwithstanding the provisions of any maturation applicable to such Common Shares held by a Participant, all such Common Shares so held on behalf of a Participant pursuant to the terms of this Plan (whether or not the Maturation Period has elapsed or not), shall automatically become, and be considered to be, full matured Common Shares for the purpose of the Participant being able to tender any such Common Shares in the manner herein provided without penalty or suspension.

- (a) **Notice of Tender** - Upon receipt by a Participant of a notice from the Administrator that an offer has been made as contemplated in this Article 15, the Participant shall, to the extent it desires to tender its Common Shares to the offer, submit instructions to the Administrator through the forms provided in the Participant Portal or otherwise accompanying the notice, that it should tender the specified Employee Common Shares and/or Employer Common Shares in accordance with the terms of the offer. The Administrator shall, upon receipt of such instructions and provided such instructions are received in accordance with the timelines established by the offer, take such actions and submit such documentation as is necessary in order to tender such Common Shares on behalf of a Participant to the offer in accordance with the terms of the offer therein.
- (b) **Non-Completed Offer** – If the offer contemplated in this Section is not completed in accordance with the terms thereof or if all of the Common Shares tendered by a Participant are not taken up and paid for by the offeror in respect thereof, then any Common Shares not taken up and paid for by such offeror shall be effectively reinstated and treated in the same manner and upon the same terms (including with respect to any maturation periods that have not yet lapsed) attached to such Common Shares as of immediately prior to the notice of an offer being given by the Administrator to the Participant in accordance hereof.

Article 16 - Subdivision, Consolidation, Conversion or Reclassification

16.1 In the event that the Common Shares are subdivided, consolidated, converted or reclassified by the Corporation, or any action of a similar nature affecting such Common Shares shall be taken by the Corporation, then the Common Shares held by the Administrator for the benefit of the Participants shall be appropriately adjusted. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive.

Article 17 - Amendment or Termination of the Plan

17.1 The Board may at any time and from time to time, subject to any regulatory or TSX approval that may be required, amend the Plan without shareholder approval, provided, however, that no such amendment of the Plan may be made in a manner which would deprive a Participant of any benefits that have accrued to the date of amendment or which would cause or permit any Common Shares or cash held pursuant to the Plan or any Personal Contributions or Employer Contributions to revert to or become the property of the Corporation (other than pursuant to the existing termination provisions). Without limiting the generality of the foregoing, the Board may make any amendment without shareholder approval:

- (a) for the purpose of making formal, minor, administrative or technical modifications to any of the provisions of the Plan, including amendments of a “housekeeping” nature;
- (b) to correct any ambiguity, defective provision, error or omission in the provisions of this Plan;
- (c) to amend the vesting, maturation, payment or withdrawal provisions of this Plan or any Employer Common Shares or Employee Common Shares, as applicable;
- (d) to change any of the termination provisions of this Plan that does not entail an extension beyond any original expiry date;
- (e) to facilitate a cash payment option;
- (f) to make any amendment that may be required to give effect to, or address, any changes in tax laws, accounting policies, securities laws or other applicable laws; or
- (g) any other amendment that does not require shareholder approval under applicable laws or the rules of the TSX.

Notwithstanding the foregoing, shareholder approval shall be required for any amendment:

- () to increase the maximum number of Common Shares issuable under the Plan as specified in Section 23.1;
- () to increase the rate of Employer Contributions as described in Section 5.2;
- (c) to remove or exceed the insider participation limits as described in Section 24.1;
- (d) to increase the discount reflected in the definition of Treasury Purchase Price;

- (e) to permit any interest in the Shares held in a Participant Custodian Account under the Plan to be transferable or assignable; and
 - (f) to this Section 17.1.
- 17.2 Shareholder approval of this Plan shall be required to provide for the Corporation's ability to issue Common Shares from treasury in respect of the Common Shares to be acquired by the Administrator on behalf of Participants under this Plan rather than, or in addition to, the acquisition of Common Shares through the facilities of the TSX at the prevailing market price.
- 17.3 The Board may at any time and from time to time terminate this Plan in whole or in part. However, the Corporation may not terminate this Plan in a manner which would deprive a Participant of any benefits that have accrued to the date of termination or which would cause or permit any Common Shares or cash held pursuant to the Plan or any Personal Contributions or Employer Contributions to revert to or become the property of the Corporation (other than pursuant to the existing termination provisions).
- 17.4 If the Plan is terminated, all Common Shares and cash belonging to a Participant as shown in the Participant's Custodian Account shall be paid to the Participant or as directed by the Participant, within 90 days of the termination of the Plan, except in the case of a merger, amalgamation, plan of arrangement or other change of control transaction involving the Corporation where a substitute plan is implemented which allows Participants to continue to acquire securities of the new or continuing entity on terms similar or comparable to those of this Plan.

Article 18 - Administration

- 18.1 The Board shall have full power and authority to construe, interpret and administer the Plan, including the power to appoint any person or persons to carry out its provisions in conformity with the objectives of the Plan and under such rules as the Board may from time to time establish. Decisions of the Board shall be final and binding upon the Corporation, Employees and Participants.
- 18.2 The Corporation may from time to time enter into such further agreements with the Administrator or other parties as it may deem necessary or desirable to carry out this Plan.
- 18.3 The Corporation will make available a copy of the Plan to all new Participants.
- 18.4 Records of the Administrator, Custodian and/or the Corporation will be conclusive as to all matters involved in administration of the Plan.
- 18.5 Except as set out in Sections 7.9 and 14.1, all costs and expenses of administering the Plan, including the Administrator, Broker and Custodian's compensation, will be paid by the Corporation.

Article 19 - Reporting

- 19.1 The Participant Portal shall be updated on a regular basis to provide Participant's with a current record of his or her Custodian Account. Unless written notice to the contrary is received by the Administrator within 60 days after the date on which any change is reflected in the Participant Portal or any written statement is delivered to or retrieved by the Participant, such statement shall be conclusively deemed to be correct and the Administrator, Custodian and Corporation shall be relieved of liability for any error contained therein or disclosed thereby.

Article 20 - Limitation of Rights of the Employee

- 20.1 This Plan is a voluntary program on the part of the Corporation and shall not constitute an inducement to or condition of the employment of any Employee. Nothing contained in this Plan shall give any Employee, whether a Participant or not, the right to be retained in the service of the Corporation or Affiliate or shall interfere with the right of the Corporation or Affiliate to discharge any Employee whether a Participant or not at any time. Enrolment in this Plan will not give any Participant or beneficiary of a Participant any right or claim to any benefit except to the extent provided for in the Plan. **By participating in the Plan, all Participants strictly waive any claim they may have, may have had or might have in the future with respect to this Plan, including any right to participation in the Plan or loss, actual or otherwise by not being able to participate in the Plan, if their participation in the Plan or their employment with the Corporation or Affiliate terminates for any reason.**
- 20.2 **Neither the Corporation nor the Administrator shall be liable to any Employee for any loss resulting from a decline in the market value of any Common Shares issued or acquired under the Plan. Neither the Corporation nor the Administrator shall be liable to any Employee for any change in the market price of the Common Shares between the time an Employee authorizes the purchase or sale of the Common Shares and the time such purchase or sale takes place. By participating in the Plan, a Participant expressly acknowledges and agrees to the foregoing and waives any claim such Participant may have, may have had or might have in the future with respect to the foregoing.**

Article 21- Tax Matters

- 21.1 All Participants are encouraged to seek advice from their professional advisors with respect to the tax implications of the Plan. The Corporation has not provided, nor will it provide, nor shall it be deemed to have provided, any tax, legal or securities advice to a Participant. By participating in the Plan, a Participant expressly acknowledges and agrees to the foregoing.

Article 22 - Securities Law Requirements

- 22.1 The Corporation shall use all reasonable efforts to facilitate the operation of the Plan as contemplated and described in the Plan, but shall not be obligated to purchase, issue or authorize the purchase or issuance of, any Common Shares pursuant to the Plan, if such

purchase or issuance would, in the opinion of counsel, violate the *Securities Act* (Ontario) (or any other applicable statute or law or rule), as it may be in effect at that time. In addition to the requirement that shareholder approval be obtained as set out in Section 17.2, no Common Shares shall be issuable by the Corporation if at any time the Board determines that the listing or qualification of such Common Shares under any securities legislation or other applicable law, or the consent or approval of any governmental or other regulatory body (including any applicable stock exchange), is necessary as a condition of, or in connection with, the issuance of such Common Shares hereunder, and in such circumstance the Corporation shall not issue such Common Shares unless such listing, qualification, consent or approval has been effected or obtained free of any conditions not acceptable to the Board.

- 22.2 For greater certainty, until otherwise approved in accordance with Section 17.2, all Employer Common Shares and Employee Common Shares purchased by the Broker on behalf of the Participants pursuant to this Plan shall be Common Shares acquired on the open market through the facilities of the TSX at the prevailing market prices.
- 22.3 All Participants that are Insiders shall be responsible for completing and filing, in accordance with applicable securities laws, any insider reports that are required to be filed and completed in connection with the acquisition (or sale/disposition) of any Common Shares pursuant to this Plan.

Article 23 – Maximum Number of Common Shares Issuable from Treasury

- 23.1 The maximum number of Common Shares available for issuance by the Corporation from treasury under the Plan, ~~together with any~~ shall not exceed 1.0% the aggregate number of Common Shares outstanding from time to time on a non-diluted basis, provided that the number of Common Shares issued or issuable ~~pursuant to any~~ under this Plan and all other ~~equity~~ security-based compensation plans of the Corporation, ~~or its subsidiaries~~ shall not exceed ~~10~~ 7.9% of the aggregate number of Common Shares outstanding from time to time on a non-diluted basis, subject to applicable rules and regulations of all regulatory authorities to which the Corporation is subject. ~~This~~ These prescribed ~~maximum~~ maximums may be subsequently increased to any specified ~~amount~~ amounts, provided the change is authorized by a vote of the shareholders of the Corporation. Every three years (or such other time period as required by the rules of the TSX) after adoption, all unallocated entitlements under the Plan must be approved by a majority of (i) the directors of the Corporation and (ii) the shareholders of the Corporation.
- 23.2 The ~~10% maximum~~ 1.0% and 7.9% maximums set out in Section 23.1 ~~is an~~ are “evergreen” ~~provision~~ provisions such that if any Common Shares are issued pursuant to the Plan (or under any other equity-based compensation of the Corporation), any such Common Shares shall be available for the purposes of further grants of Common Shares under the Plan.

Article 24 - Maximum Number of Shares Issued to Insiders

- 24.1 No Shares shall be issued on behalf of a Participant under the Plan if such issuance could result, at any time, in:

- (a) The number of Shares issuable to Insiders (pursuant to this Plan and any other share compensation arrangement of the Corporation) exceeding, at any time, 10% of the issued and outstanding Shares; and
- (b) The number of Shares issued to Insiders (pursuant to this Plan and any other share compensation arrangement of the Corporation) exceeding, within any one-year period, 10% of the issued and outstanding Shares.

Article 25 - Applicable Laws

25.1 The Plan shall be construed and the rights and obligations of the parties hereunder determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

~~[The remainder of this page is intentionally left blank]~~

ADOPTED as of the 2nd day of , ~~2014~~ March, 2017.

MORNEAU SHEPELL INC.

Per: _____
Name: Scott Milligan
Title: CFO & EVP

Appendix A

Special Rules for United States Employees Morneau Shepell Inc. Employee Common Share Purchase Plan

The special rules set forth in this Appendix A shall govern the participation in the Plan by U.S. Employees and shall supplement or supersede (where indicated) the Plan provisions with respect to such U.S. Employees. Capitalized terms used but not defined herein shall have the meaning set forth in the Plan. Except as specifically set forth herein, the provisions of the Plan shall continue to apply to U.S. Employees who become Participants.

All Common Shares acquired by the Broker on behalf of U.S. Participants are “restricted” securities for purposes of the U.S. Securities Act, and are subject to restrictions on resale. As a consequence, all such Common Shares must be separately identified and made subject to such restrictions on resale.

1. Definitions.

The definitions of “After Tax Earnings,” “Pre-Tax Earnings,” “Source Deductions” and “Taxable Income” shall not apply to U.S. Participants.

In this Plan, unless the context otherwise requires:

- (a) “**Free Trading CUSIP Common Shares**” means Common Shares that are not Restricted CUSIP Common Shares.
- (b) “**Restricted CUSIP Common Shares**” means Common Shares subject to resale restrictions under the U.S. Securities Act that are held by the Administrator in the Custodian Accounts of U.S. Participants, and which bear a CUSIP number, different from the CUSIP number of the Free Trading CUSIP Common Shares, that is for the purpose of identifying such Common Shares as Restricted CUSIP Common Shares.
- (c) “**Transfer Agent**” shall mean Canadian Stock Transfer Company Inc., in its capacity as registrar and transfer agent for the Common Shares.
- (d) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended.

2. Contributions.

Section 5.1 of the Plan shall not apply to U.S. Participants. A U.S. Participant who has elected to make Personal Contributions and has not suspended contributions shall make Personal Contributions to the Plan as specified in that Participant’s enrolment form, provided that such Personal Contributions may not exceed 10% of such U.S. Participant’s annual base salary (which shall not include any bonus, benefits or other special or

potential compensation), or such other amount as established by the Board from time to time. Such Personal Contributions shall be calculated on a pre-tax basis, notwithstanding that such amounts shall be subject to taxation as compensation income. The Corporation or the relevant Affiliate shall deduct from each Participant's paycheque the amount of that Participant's Personal Contributions. Personal Contributions shall be deducted in U.S. dollars.

3. Custodian Accounts / Investment of Funds.

- (a) Employee Common Shares and Employer Common Shares that are recorded and held by the Administrator in Custodian Accounts of U.S. Participants shall be exclusively Restricted CUSIP Common Shares.
- (b) At the time that the Corporation shall deposit with the Administrator the amount of all Personal Contributions and Employer Contributions applicable to each Participant for a particular Payroll Cycle or Contribution Period, as applicable, the Corporation shall identify to the Administrator which of such Participants are Canadian Participants or U.S. Participants, and the amount of such contributions that are received from or made on behalf of U.S. Participants. Prior to depositing Personal Contributions and Employer Contributions with the Administrator, the Corporation will convert Personal Contributions from U.S. Participants into Canadian dollars at the exchange rate established by the Corporation. The converted amount of Personal Contributions from U.S. Participants shall be used to determine the amount of Employer Contributions with respect to such U.S. Participants (the aggregate amount of all such converted Employee Contributions and Employer Contributions deposited on behalf of U.S. Participants being the "**U.S. Contribution Amount**").
- (c) Common Shares purchased pursuant to Section 7.4 of the Plan shall be Free Trading CUSIP Common Shares. After the Broker makes such purchases, the Broker shall exchange with the Transfer Agent that number of Free Trading CUSIP Common Shares purchased with the U.S. Contribution Amount for an equivalent number of Restricted CUSIP Common Shares. To the extent that Common Shares to be acquired for the benefit of U.S. Participants are to be issued from treasury, all such Common Shares shall be Restricted CUSIP Common Shares.

4. Permitted Withdrawals and Termination

- (a) If Restricted CUSIP Common Shares in the Custodian Account of a U.S. Participant are transferred and issued into the name of such U.S. Participant or to such U.S. Participant's personal brokerage account pursuant to Section 9.2, 10.2, or 11.1 of the Plan,
 - (i) any such common shares transferred to such U.S. Participant's brokerage account shall be Restricted CUSIP Common Shares; and

(ii) any such common shares to be delivered in physically certificated form shall first be exchanged with the Transfer Agent for Free Trading CUSIP Common Shares, and when delivered to the U.S. Participant or his or her executors or administrators, as the case may be, shall bear the legend set forth in Schedule I to this Appendix A.

(b) If Restricted CUSIP Common Shares in the Custodian Account of a U.S. Participant are sold by the Broker pursuant to Section 9.2, 10.2, or 11.1 of the Plan, the Broker shall deliver to the Transfer Agent executed Declarations in the form set forth in Schedule II-A (Participant) to this Appendix A at or prior to the time of settlement.

5. Responsibility for Taxes.

(a) Article 14 of the Plan shall not apply to U.S. Participants.

(b) All tax liabilities associated with the participation in the Plan by a U.S. Participant shall be the sole responsibility of the U.S. Participant. The Corporation (or an Affiliate) or the Administrator, as the case may be, may require a U.S. Participant to remit to the Corporation or an Affiliate any required tax payments or required withholding as a condition to the U.S. Participant's receipt of benefits under the Plan. By electing to participate in the Plan, each U.S. Participant authorizes the Corporation (or an Affiliate) or the Administrator to make such deductions from the U.S. Participant's compensation as are required to satisfy applicable tax obligations, including, without limitation, through deduction from any amounts payable to a Participant following a sale of that Participant's Common Shares by the Broker on the Participant's behalf.

6. No Representation Regarding Tax Treatment.

Neither the Corporation nor any Affiliate makes any representation to a U.S. Employee as to the tax consequences of participation in the Plan and each U.S. Employee who becomes a U.S. Participant shall be deemed to have acknowledged this Section 6 of Appendix A. The Corporation encourages each U.S. Employee to consult with his or her own tax and financial advisors with respect to the consequences of participation in the Plan.

7. DRIP.

The Administrator shall not enroll or participate in any dividend reinvestment plan or equivalent program with respect to U.S. Participants and shall instead have all cash dividends received with respect to Employee Common Shares and Employer Common Shares allocated to the U.S. Participant's Custodian Account. Dividends allocated to the Custodian Account shall continue to be held in the form in which the dividend was received and will be subject to the same withdrawal rules and, if applicable, vesting requirements as the Common Shares to which such dividends are attributable; provided

that the Board may in its discretion waive such rules and requirements or permit the sale or exchange of amounts or property received pursuant to such a distribution.

8. Other Rules.

The Board or its delegate shall have the authority and discretion to promulgate such additional or different rules regarding participation in the Plan by U.S. Employees as it may deem to be necessary or appropriate from time to time.

SCHEDULE I

Legend to be placed on physical certificates held by U.S. Participants or by the Administrator on behalf of U.S. Participants.

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”). THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF THE COMPANY THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (C) WITHIN THE UNITED STATES IN ACCORDANCE WITH (1) RULE 144A UNDER THE U.S. SECURITIES ACT OR (2) RULE 144 UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. PROVIDED THAT THE COMPANY IS A “FOREIGN ISSUER” WITHIN THE MEANING OF REGULATION S AT THE TIME OF SALE, A NEW CERTIFICATE, BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE “GOOD DELIVERY” MAY BE OBTAINED FROM THE TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT. THE TRANSFER AGENT MAY ALSO REQUIRE AN OPINION OF COUNSEL IN CONNECTION WITH ANY OFFER, SALE OR TRANSFER OF THE SECURITIES BY THE HOLDER HEREOF.”

SCHEDULE II-A

**FORM OF DECLARATION FOR REMOVAL OF U.S. SECURITIES LAW
RESTRICTION AND/OR LEGEND**

TO: Canadian Stock Transfer Company Inc.
as registrar and transfer agent for Common Shares of
Morneau Shepell Inc.,
Toronto, Ontario

The undersigned (a) acknowledges that the sale of the securities to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act"), and (b) certifies that (1) it is not an affiliate (as defined in Rule 405 under the 1933 Act) of Morneau Shepell Inc., (2) the offer of such securities was not made to a person in the United States and either (A) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (B) the transaction was executed on or through the facilities of the Toronto Stock Exchange or the TSX Venture Exchange and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, (3) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities, (4) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as such term is defined in Rule 144(a)(3) under the Securities Act), (5) the seller does not intend to replace the securities sold in reliance on Rule 904 of the 1933 Act with fungible unrestricted securities and (6) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act. Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

Dated: _____

By: _____

Name:

Title: