

Proxy Voting Policy

Goodwood Inc. (“Goodwood”) Policies and Procedures: Proxy Voting

It is Goodwood’s standing policy to monitor corporate actions and vote proxies in accordance with the best interests of the Goodwood Capital Fund (the “Fund”) and the unitholders of the Fund. Oversight of the proxy voting process is the ultimate responsibility of the portfolio manager who delegates and retains final authority with respect to the way proxies for the Fund are voted.

Goodwood adopts a policy to generally vote in support of management’s recommendations with respect to routine or commonly raised management initiatives such as:

- Election of Board of Directors;
- Appointment/ Approval of Auditors;
- Authorizing Directors to fix the remuneration of Auditors;
- Management compensation, performance/incentive plans, so long as they are not excessive and act in the best interest the Fund;
- Change in Corporate name;
- Capitalization changes, so long as they support the best interests of the Fund.

However, Goodwood retains the discretion to depart from this standing policy on any proxy vote. It is the portfolio manager’s duty to be aware of the possible investment impacts on shareholder value of any issue voted. In particular, Goodwood may not vote in favour of management’s recommendation on a routine matter if such recommendation is, on balance, not in the best interests of the shareholders of that particular company having regard to the facts and circumstances existing at the time of such vote.

Goodwood may also, from time to time, assume an “activist” role in the proxy voting context. For example, where a company (held in the Fund’s investment portfolio) disregards shareholder concerns or interests in connection with a substantive matter (e.g., a proposed merger) facing that company, Goodwood may take an “activist” role in relation to that issue if such activism is believed to benefit the unitholders in the Fund. These issues are actively voted on a case-by-case basis based upon the merits of each situation.

It is procedure that a Fund’s proxy be voted in accordance with the business judgement of the portfolio manager. On non-routine or contentious issues, Goodwood will vote in the best interests of the Fund.



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It is policy for Goodwood to review the proxy voting record of the Fund on a quarterly basis to ensure that its policies and procedures are followed. In addition Goodwood shall maintain and have ready access to:

- Proxy statements received;
- Records of votes cast on behalf of the Funds;
- Records of unitholder requests for proxy voting information;
- Any documents used that were material to the portfolio manager to making a decision on how to vote.

With respect to record keeping, it is Goodwood's policy to make the historical Proxy Voting Record available to any investor upon request. This is also made available on Goodwood's website. It is procedure to keep detailed records of the following information relating to each proxy vote:

- Meeting date/ Meeting Type
- Company Name, Security Number (CUSIP), Exchange Ticker Symbol
- Ballot Item – a brief identification of the matter or matters to be voted on.
- Management Recommendation - if management of the company proposed the voting issue then it will typically recommend that shareholders vote in favour (or 'For'). In the instances that voting issues are proposed by shareholders rather than management, then management may recommend that other shareholders vote 'Against' such proposals.
- Vote Cast – indicates how Goodwood voted each proxy. A 'For' vote, means that the proxy votes were cast in favour with the issue. An 'Against' vote, means votes were cast against the issue.
- Proponent – indicates whether the matter or matters voted on was proposed by the issuer, its management or by another person or company.

Goodwood, as investment manager to the Goodwood Funds, is wholly responsible for establishing, monitoring and amending (if necessary) the policies and procedures relating to the voting of proxies received in connection with the Fund's portfolio securities.

