

IMPORTANT INFORMATION IS ENCLOSED

PLEASE READ AND VOTE YOUR BLUE PROXY FORM TODAY

These materials are important and require your immediate attention. They require shareholders of Unique Broadband Systems, Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisors. If you have any questions or require more information with regard to voting your shares of Unique Broadband Systems, Inc., please contact Georgeson Shareholder Communications Canada Inc. toll free at 1-866-676-3029.



UNIQUE BROADBAND SYSTEMS, INC.

**NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR**

for a

SPECIAL MEETING OF SHAREHOLDERS

to be held on July 5, 2010

Your Board of Directors unanimously recommends that you VOTE AGAINST the resolution proposed by a shareholder to remove the incumbent directors from office.

This Management Information Circular solicits BLUE Proxies

May 30, 2010

YOUR VOTE IS IMPORTANT. VOTE ONLY THE BLUE PROXY.

For questions or assistance, please call Georgeson, 1-866-676-3029

If you have any questions or need assistance in completing
or returning the enclosed **BLUE** proxy form or **BLUE** voting instruction form, please call:



North American Toll Free Number: 1-866-676-3029

PLEASE READ CAREFULLY:

This Management Information Circular is provided in connection with a special meeting of shareholders that has been called by Unique Broadband Systems, Inc. (“UBS”) in response to a requisition received from an unidentified beneficial shareholder.

There are a number of important matters that each shareholder should carefully consider in connection with the special meeting.

The Board of Directors of UBS unanimously recommends that shareholders:

VOTE AGAINST: **the resolution to remove from office the incumbent directors of UBS**

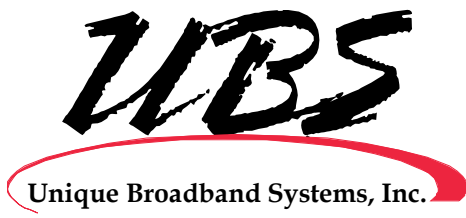
Your vote is extremely important. Please vote your shares.

You should use the **BLUE** proxy form or **BLUE** voting instruction form for this special meeting.

YOU MAY ALSO RECEIVE PROXY FORMS AND OTHER MATERIALS FROM THE REQUISITIONING
SHAREHOLDER.

PLEASE DISCARD SUCH MATERIALS AND USE ONLY THE
ACCOMPANYING **BLUE** PROXY FORM OR **BLUE** VOTING INSTRUCTION FORM.

YOUR VOTE IS IMPORTANT. VOTE ONLY THE BLUE PROXY.
For questions or assistance, please call Georgeson, 1-866-676-3029



8250 Lawson Road, Milton, ON, L9T 5C6
Tel: (905) 660 8100 Fax: (905) 669-0785
Internet: www.uniquebroadband.com

May 30, 2010

Dear Shareholder:

The Board of Directors of Unique Broadband Systems, Inc. (“UBS”) invites you to attend a special meeting of shareholders of UBS (the “**Meeting**”) to be held at 9 a.m. on July 5, 2010 at UBS’ head office, 8250 Lawson Road, Milton, Ontario L9T 5C6. The Meeting has been requisitioned by an unidentified beneficial shareholder of UBS for the purpose of removing the incumbent Board of Directors of UBS and replacing the Board with a slate of proposed directors whose names are to be provided to UBS by the unidentified requisitioning shareholder.

The Board of Directors of UBS unanimously recommends that you **VOTE AGAINST** the resolution to remove the three incumbent directors from office.

The Board of Directors makes this recommendation for the following reasons:

- the Board of Directors has managed UBS so as to maximize value for UBS shareholders
- the Board of Directors has secured cash flow for UBS through services provided to Look Communications Inc. (“**Look**”), of which UBS is the principal shareholder, under a Management Services Agreement
- the Board of Directors was recently re-elected by UBS shareholders, at the annual and special meeting held in February 2010
- the proposal from the requisitioning shareholder may result in expensive and protracted litigation and reduce or delay the distribution of available cash by Look
- the requisitioning shareholder wants control of UBS for no consideration or payment to UBS shareholders
- the requisitioning shareholder has not disclosed any business plan for UBS
- UBS has a strong and experienced Board of Directors
- the proposal from the requisitioning shareholder may result in a disruption of the business of Look
- the proposal from the requisitioning shareholder will trigger substantial payments under an existing services agreement entered into by UBS and may trigger additional substantial payments under other existing services and employment agreements entered into by UBS, thereby significantly reducing UBS’ cash position
- UBS deplores the fact that the requisitioning shareholder has not acted in a transparent manner in requisitioning the Meeting, has chosen to remain anonymous, and has failed to provide the names of its nominees for election to the Board of Directors of the Corporation, despite formal written requests from UBS that it do so

We are enclosing a Notice of Special Meeting and Management Information Circular for the Meeting, as well as a **BLUE** proxy form or **BLUE** voting instruction form. We urge you to read the Management Information Circular carefully.

Your vote is important regardless of how many shares you own. We hope that you will be able to attend the Meeting or submit a proxy.

YOUR VOTE IS IMPORTANT. VOTE ONLY THE BLUE PROXY.
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Whether or not you plan to attend the Meeting in person, if you are a registered shareholder, please vote by completing the enclosed BLUE proxy form and returning it in the envelope provided for this purpose or by following the procedures for Internet voting provided in the accompanying Management Information Circular. To be used at the Meeting, proxies must be received by our transfer agent, Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 no later than 9:00 a.m. (Toronto time) on Wednesday, June 30, 2010.

If, like most shareholders, you hold shares through a broker, investment dealer, bank, trust company or other intermediary, you should follow the instructions provided by your intermediary and in the accompanying Management Information Circular and return the BLUE voting instruction form, to ensure that your vote is counted at the Meeting.

You will be asked to make an important decision at the Meeting. If you have any questions or require more information with regard to the Meeting, please contact Georgeson Shareholder Communications Canada Inc., UBS' proxy solicitation agent, at 1-866-676-3029.

The Board of Directors of UBS thanks you for your support.

Yours very truly,



Gerald T. McGoey



Louis Mitrovich



Douglas Reeson

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For questions or assistance, please call Georgeson, 1-866-676-3029

UNIQUE BROADBAND SYSTEMS, INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JULY 5, 2010

NOTICE IS HEREBY GIVEN THAT a special meeting of shareholders (the “Meeting”) of Unique Broadband Systems, Inc. (“UBS”) will be held:

Place: 8250 Lawson Road
Milton, Ontario
L9T 5C6

Date: July 5, 2010

Time: 9:00 a.m.

The purposes of the Meeting are:

1. to consider, and if deemed advisable adopt, with or without variation, an ordinary resolution to remove from office the current directors of UBS; and
2. if the foregoing resolution is adopted, to consider, and if deemed advisable adopt, with or without variation, an ordinary resolution to fill the vacancies created by the foregoing removal of directors of UBS by the election of a slate of proposed directors, whose names are to be provided to the Corporation by a requisitioning shareholder, to hold office until the close of the first annual meeting of shareholders following their election.

Items 1 and 2 are included pursuant to a request dated April 27, 2010 from a requisitioning beneficial shareholder or shareholders, whose identity is not known to the Corporation. The accompanying Management Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice.

If you are a registered shareholder and are unable to attend the Meeting in person, please exercise your right to vote by signing, dating and returning the enclosed **BLUE** proxy form with the UBS logo in the envelope provided or by following the procedures for Internet voting provided in the accompanying Management Information Circular. To be effective, **BLUE** proxy forms must be received no later than 9:00 a.m. (Toronto time) on Wednesday, June 30, 2010 by Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1. **Failure to properly complete and deposit a proxy form may result in its being invalid.** The time limit for deposit of proxies may be waived by UBS’ Board of Directors at its discretion without notice.

If you are a non-registered shareholder and receive these materials through your broker or other intermediary, please complete and return the **BLUE** voting instruction form in accordance with the instructions provided to you by your broker or such other intermediary and in the accompanying Management Information Circular.

DATED at Toronto, Ontario
May 30, 2010

BY ORDER OF THE BOARD OF DIRECTORS



Malcolm Buxton-Forman
Secretary

YOUR VOTE IS IMPORTANT. VOTE ONLY THE BLUE PROXY.
For questions or assistance, please call Georgeson, 1-866-676-3029

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See Glossary of Terms for certain of the defined terms used in this Management Information Circular.

NOTICE TO SHAREHOLDERS IN THE UNITED STATES

This Management Information Circular has been prepared in accordance with disclosure requirements in effect in Canada, which differ from disclosure requirements in the United States. The enforcement by investors of civil liabilities under United States federal securities laws may be affected adversely by the fact that UBS is incorporated under the laws of Ontario, that all of its officers and directors are residents of Canada, and that substantially all of the assets of UBS are located outside of the United States.

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FORWARD-LOOKING STATEMENTS

The discussion of UBS' business in this Management Information Circular may include forward-looking information with respect to UBS, including its business and operations and strategies, as well as financial performance and conditions. These forward-looking statements and information include, among others, statements with respect to UBS' objectives and strategies to achieve those objectives, as well as statements with respect to UBS' beliefs, plans, expectations, anticipations, estimates, and intentions. When used in this Management Information Circular, the words "believe", "anticipate", "may", "should", "intend", "estimate", "expect", "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such words. These forward-looking statements and information are based on current expectations. UBS cautions that all forward-looking statements and information are inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking statements and information, and that actual future performance will be affected by a number of factors, including economic conditions and competitive factors, many of which are beyond UBS' control. New risks and uncertainties arise from time to time, and it is impossible for UBS to predict these events or the effect that they may have on UBS.

This may include, without limitation, statements based on current expectations involving a number of risks and uncertainties related to all aspects of the wireless communications, broadcast television and Internet services industries. These risks and uncertainties include, but are not restricted to: (i) the outcome of litigation, (ii) other risk factors related to UBS' business, and (iii) other risk factors related to UBS' industry. A more detailed discussion of factors that may affect actual results or cause actual results to differ materially from any conclusion, forecast or projection in these forward-looking statements and information is set out in UBS' Management's Discussion and Analysis for the fiscal year ended August 31, 2009.

Therefore, future events and results may vary significantly from those which UBS currently foresees. Readers are cautioned that the forward-looking statements and information made by UBS in this Management Information Circular are stated as of the date hereof, are subject to change after that date, are provided for the purposes of this Management Information Circular and may not be appropriate for other purposes. UBS is under no obligation to update or alter the forward-looking statements whether as a result of new information, future events or otherwise, except as required by National Instrument 51-102 *Continuous Disclosure Obligations*, and UBS expressly disclaims any other such obligation.

This Management Information Circular has been reviewed by UBS' Board of Directors and contains information that is current as of May 30, 2010. Events occurring after that date could render the information contained herein inaccurate or misleading in a material respect. Additional information about UBS is available under UBS' profile at www.sedar.com.

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**UNIQUE BROADBAND SYSTEMS, INC.
MANAGEMENT INFORMATION CIRCULAR**

PART 1 - SOLICITATION OF PROXIES BY MANAGEMENT

This Management Information Circular (the “Circular”) is furnished in connection with the solicitation by the management of Unique Broadband Systems, Inc. (“UBS” or the “Corporation”) of proxies to be used at the special meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set out in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. Proxies may also be solicited personally, by telephone, e-mail or facsimile by regular employees of the Corporation, at nominal cost, or by agents of the Corporation hired for that purpose. Georgeson Shareholder Communications Canada Inc. is acting as soliciting agent for the Corporation to solicit proxies for the Meeting, for a base fee of \$50,000. The costs of such solicitation will be borne by the Corporation. This Circular is dated May 30, 2010 and the information contained herein is given as of that date, except where otherwise noted.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed **BLUE** proxy form are directors and/or officers of the Corporation. A shareholder has the right to appoint as his or her proxy a person or company, who need not be a shareholder, other than those whose names are printed on the accompanying **BLUE** proxy form. **A shareholder who wishes to appoint some other person or company to represent him or her at the Meeting may do so either by inserting such other person or company’s name in the blank space provided in the BLUE proxy form and signing the BLUE proxy form or by completing and signing another proper proxy form.**

To be valid, a proxy must be signed by the shareholder or the shareholder’s attorney authorized in writing or, if the shareholder is a corporation, by a duly-authorized officer or attorney and must be accompanied by a resolution of the board of directors providing evidence of such authorization. A proxy, to be acted upon, must be deposited with the Corporation’s registrar and transfer agent, Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, by 9:00 a.m. (Toronto time) on Wednesday, June 30, 2010 or, in the case of any adjournment or postponement of the meeting, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting. **Failure to properly complete and deposit a proxy may result in its being invalid. The time limit for the deposit of proxies may be waived by the Board of Directors at its discretion without notice.**

A shareholder who has given a proxy may revoke it, as to any motion on which a vote has not already been cast pursuant to the authority conferred by it, by an instrument in writing executed by the shareholder or by the shareholder’s attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. In accordance with the Corporation’s by-laws, the revocation of a proxy, in order to be acted upon, must be deposited at the head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting or an adjournment thereof.

EXERCISE OF DISCRETION BY PROXIES

Common shares of the Corporation (the “Common Shares”) represented by properly-executed **BLUE** proxy forms will be voted for or against or withheld from voting in accordance with the instructions of the shareholder on the **BLUE** proxy form on any ballot that may be called for. **In the absence of any instructions on the BLUE proxy form, such Common Shares will be VOTED AGAINST the resolution to remove from office the current directors of the Corporation.**

In the event that the resolution to remove the current Board of Directors from office is adopted at the Meeting, in light of the fact that the beneficial shareholder who requisitioned the Meeting has not provided to the Corporation the names of its nominees for election as directors of the Corporation, and in order to comply with statutory requirements, the **BLUE** proxy forms provide for the election of Gerald T. McGoey, Louis Mitrovich and Douglas Reeson, the incumbent directors of the Corporation, as directors of the Corporation. **In the absence of any instructions on the BLUE proxy form, such Common Shares will be voted for the election of Gerald T. McGoey, Louis Mitrovich and Douglas Reeson as directors of the Corporation.**

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The enclosed **BLUE** proxy form confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matter which may properly come before the Meeting.

VOTING PROCEDURES

The procedures by which shareholders may exercise their right to vote with respect to matters at the Meeting will vary depending on whether shareholders are registered shareholders or non-registered shareholders. All shareholders are advised to carefully read the voting instructions below that are applicable to them.

1. Registered Shareholders

To vote with respect to matters being considered at the Meeting, registered shareholders must either:

- attend the Meeting in person;
- sign, date and return the enclosed **BLUE** proxy form, or such other proper form of proxy prepared for use at the Meeting which is acceptable to the Corporation's registrar and transfer agent; or
- otherwise communicate their voting instructions in accordance with the instructions set out in the enclosed **BLUE** proxy form or through the use of another acceptable and proper form of proxy.

Any proxy to be used at the Meeting must be received by the Corporation's registrar and transfer agent, Equity Transfer & Trust Company at 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, by 9:00 a.m. (Toronto time) on Wednesday, June 30, 2010, or, in the case of any adjournment or postponement of the meeting, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of such reconvened meeting. **Failure to properly complete and deposit a proxy may result in its being invalid. The time limit for the deposit of proxies may be waived by the Board of Directors at its discretion without notice.**

Registered shareholders may provide their voting instructions by any of the following means:

- by mail to Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1 (a pre-addressed return envelope is enclosed);
- by hand or by courier to the address set out above; or
- by Internet at www.voteproxyonline.com.

2. Non-Registered (Beneficial) Shareholders

A substantial number of shareholders of the Corporation do not hold Common Shares in their own names ("**Non-Registered Shareholders**"). Common Shares may be beneficially owned by a shareholder but registered either:

- in the name of an intermediary (an "**Intermediary**") that the beneficial shareholder deals with in respect of its Common Shares (such as a broker or securities dealer); or
- in the name of a clearing agency (such as CDS or similar entities) of which the Intermediary is a participant.

If Common Shares are shown in an account statement provided to the shareholder by an Intermediary, in almost all cases those Common Shares will **not** be registered under the name of the shareholder in the records of UBS. Please note that only proxies received from registered shareholders can be recognized and acted upon at the Meeting.

All Non-Registered Shareholders should carefully review the instructions provided to them by their Intermediary regarding how to provide voting instructions or obtain a proxy with respect to their Common Shares. Such Non-Registered

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Shareholders may also wish to contact their Intermediaries directly to obtain instructions regarding how to exercise their right to vote Common Shares that they beneficially own.

Voting Instruction Form

Your Intermediary will send or arrange to have sent to you with this Circular a **BLUE** voting instruction form instead of a proxy form. The **BLUE** voting instruction form that you will receive is similar to the proxy form provided to registered shareholders. However, its purpose is limited to instructing the Intermediary or clearing agency how to vote on your behalf.

Attendance at Meeting in Person

Please note that Non-Registered Shareholders seeking to attend the Meeting will **not** be recognized at the Meeting for the purpose of voting Common Shares registered in the name of an Intermediary or a clearing agency, unless such Non-Registered Shareholder appoints himself or herself as a proxyholder or appointee. In order to do this, the individual should follow the instructions on the **BLUE** voting instruction form regarding the manner in which voting instructions are to be provided and, in doing so, specify that individual's own name as the person whom he or she is appointing as proxy or appointee for the purposes of voting his or her Common Shares. Such Non-Registered Shareholders are reminded that any voting instructions should be communicated to their Intermediary in accordance with the procedures set out on the **BLUE** voting instruction form **well in advance** of the deadline for the receipt of proxies of 9:00 a.m. (Toronto time) on Wednesday, June 30, 2010.

If you are a Non-Registered Shareholder, you may provide your voting instructions by any of the following means:

- **by mail** to the address set out in the pre-addressed return envelope enclosed with your **BLUE** voting instruction form;
- **by telephone** at 1-800-474-7493 (Canada) or 1-800-454-8683 (United States); or
- **by Internet** at www.proxyvote.com.

The time limit for delivery of voting instructions may be waived by the Board of Directors at its discretion without notice.

SHARES

As of May 30, 2010, there were 102,747,854 Common Shares and no Class A Non-Voting Shares (the "**Class A Shares**") of the Corporation issued and outstanding. The holders of Common Shares are entitled to one vote for each share held of record on all matters to be voted on by such holders.

The Corporation has fixed May 19, 2010 as the record date (the "**Record Date**") for shareholders entitled to receive notice of and to vote at the Meeting. Pursuant to the *Business Corporations Act* (Ontario), the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to receive notice of the Meeting that shows the number of shares held by each shareholder. A shareholder whose name appears on the list is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during normal business hours at the head office of the Corporation and at the Meeting or at the place where the Corporation's central securities register is maintained.

The Class A Shares are identical to the Common Shares in all material respects with the exception: (i) that the Class A Shares do not entitle the holders thereof to vote at meetings of the Corporation's shareholders; and (ii) of certain conversion rights and other attributes designed to ensure continued compliance with applicable regulations under the *Broadcasting Act* (Canada) concerning Canadian ownership of broadcasting undertakings such as that previously carried on by Look Communications Inc. ("**Look**"), a corporation of which UBS is the principal shareholder. According to the Corporation's Articles, a holder of Class A Shares has the right, at his or her option, to convert such Class A Shares into Common Shares on a one-for-one basis if such holder provides to the Corporation written evidence satisfactory to the Corporation that: (a) beneficial ownership and control of the Class A Shares is exercised, directly or indirectly, exclusively by one or more

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Canadians (within the meaning set out in the Corporation’s Articles); and (b) the acquisition by such holder of all Class A Shares held by it was effected in conformity with the Corporation’s Articles.

Take-Over Bid Protection

As required by National Instrument 51-102 *Continuous Disclosure Obligations*, the following is a summary of the right of holders of the Corporation’s Class A Shares to participate if a take-over bid is made for the Common Shares.

In the event that an offer (an “Offer”) is made to purchase Common Shares and the Offer is one which must, pursuant to applicable securities legislation, be made to all or substantially all the holders of Common Shares, each Class A Share will become convertible into one Common Share at the option of the holder, at any time commencing eight days after the Offer is made and ending at the expiration of the Offer. The conversion right may be exercised only for the purpose of depositing the resulting Common Shares in response to the Offer and the transfer agent and registrar of the Corporation will deposit the resulting Common Shares on behalf of the shareholder. If: (i) Common Shares resulting from the conversion and deposited pursuant to the Offer are subsequently withdrawn by the shareholder or are not taken up by the offeror; or (ii) the Offer is abandoned or withdrawn by the offeror, such Common Shares will be re-converted into Class A Shares.

PRINCIPAL SHAREHOLDER

As at May 30, 2010, to the best knowledge of the Corporation, the only person who beneficially owned, directly or indirectly, or exercised control or direction over more than 10% of the issued and outstanding Common Shares of the Corporation was:

Name	Number of Common Shares held	Percentage
Alex Dolgonos	20,432,763 ⁽¹⁾⁽²⁾	19.9

- (1) To the knowledge of the Corporation, Mr. Dolgonos indirectly holds 20,405,263 Common Shares through 2064818 Ontario Inc. and indirectly holds 27,500 Common Shares through Alex Dolgonos Spousal Trust.
- (2) To the knowledge of the Corporation, in addition to these Common Shares, Mr. Dolgonos exercises control over stock options in respect of 4,000,000 Common Shares. Of these, to the knowledge of the Corporation, Mr. Dolgonos holds stock options in respect of 2,000,000 Common Shares directly and holds stock options in respect of 2,000,000 Common Shares indirectly through DOL Technologies Inc. If Mr. Dolgonos were to exercise the stock options in full, the number of Common Shares under his direction would increase to 24,432,763, representing 22.9% of the then-issued and outstanding Common Shares. As at May 30, 2010, the stock options were exercisable in respect of 3,333,333 Common Shares.

PART 2 – BUSINESS OF THE MEETING

BACKGROUND TO THE MEETING

This Meeting has been requisitioned by one or more unidentified beneficial shareholders of the Corporation (for the purposes of this Circular, the “**Requisitioning Shareholder**”). According to information provided to the Corporation on behalf of the Requisitioning Shareholder, as of April 27, 2010, the Requisitioning Shareholder was the beneficial owner of 5,799,000 Common Shares, representing approximately 5.6% of the issued and outstanding Common Shares of the Corporation. The Requisitioning Shareholder is seeking to remove all of the members of UBS’ Board of Directors, who were first elected in 2002 and re-elected most recently at the annual and special meeting of shareholders held on February 24, 2010 (the “**February 2010 Annual Meeting**”), and replace them with the Requisitioning Shareholder’s own nominees.

CHRONOLOGY OF REQUISITION

At the February 2010 Annual Meeting, the current Board of Directors of UBS, comprised of Gerald T. McGoey, Louis Mitrovich and Douglas Reeson, was re-elected. Of the Common Shares voted by proxy prior to the February 2010 Annual Meeting, approximately 92% were voted for the election of Messrs. McGoey, Mitrovich and Reeson.

On April 27, 2010, the Board of Directors received a letter from CDS & Co., the nominee of CDS Clearing and Depository Services Inc. (“CDS”), pursuant to which CDS, at the request of one of its participants, TD Waterhouse, on behalf of an unidentified beneficial owner or owners of Common Shares, requested that the Board of Directors call a special meeting of shareholders of the Corporation to transact the following business: (i) to remove the current members of the Board of Directors of the Corporation; and (ii) to elect a slate of proposed directors, with the names of such proposed directors to be

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provided to the Corporation by the unidentified beneficial shareholder(s), to hold office until the next annual meeting of shareholders of the Corporation following their election. In its letter, CDS stated that the requisition was being executed in respect of 5,799,000 Common Shares. The requisition was delivered by CDS as the shareholder of record of the applicable Common Shares, at the instruction of the participant, TD Waterhouse, and only as a nominal party for the true party in interest, the unidentified beneficial shareholder(s).

On April 30, 2010, Heenan Blaikie LLP, legal counsel to UBS for purposes of the Meeting, wrote to CDS asking that it provide the names of the client or clients of TD Waterhouse who beneficially owned the 5,799,000 Common Shares and the names of the individuals comprising the slate of proposed directors referred to in CDS' letter of April 27, 2010, in order to allow the Corporation to determine whether a special meeting of shareholders had been validly requisitioned.

On April 30, 2010, Heenan Blaikie LLP was advised by CDS that Heenan Blaikie's letter of that same date had been forwarded by CDS to Mr. D'Arcy Doherty of Gowling Lafleur Henderson LLP ("**Gowlings**"), as counsel to the unidentified beneficial holder(s) of 5,799,000 Common Shares.

On May 2, 2010, Heenan Blaikie LLP wrote to Mr. Doherty asking that he provide, as soon as possible, the information requested in the April 30, 2010 letter.

On May 3, 2010, the Corporation issued a press release announcing that it had received a requisition from CDS, at the instruction of TD Waterhouse, to call a special meeting of UBS shareholders to remove the current members of the Board of Directors and elect a slate of proposed directors. The press release also announced that UBS had sent a letter to Gowlings requesting that it provide information that would allow UBS to assess the validity of the requisition.

By letter dated May 3, 2010, Gowlings refused to disclose the names of the clients of TD Waterhouse who requisitioned the Meeting, and stated that it was not necessary, at that time, to provide the names of the individuals comprising the slate of proposed directors.

On May 11, 2010, in accordance with applicable law, the Board of Directors called the Meeting for July 5, 2010 and set the Record Date of May 19, 2010. UBS issued a press release on the same date announcing the Meeting date and Record Date.

On May 12, 2010, Equity Transfer & Trust Company, the Corporation's registrar and transfer agent, filed a document entitled "Confirmation of Notice of Record and Meeting Dates" on SEDAR in connection with the Meeting.

On May 12, 2010, Heenan Blaikie LLP sent a second letter to Gowlings, requesting information for the purposes of allowing UBS to prepare this Circular, including: (i) the names of the individuals to be nominated for election as directors; (ii) information on each nominee, as required by the *Business Corporations Act* (Ontario); (iii) information on each nominee, as required by Form 51-102F5 under National Instrument 51-102 *Continuous Disclosure Obligations*; (iv) a written consent from each nominee to act as a director of the Corporation, as required by the *Business Corporations Act* (Ontario), in the form annexed to the letter; and (v) the name of the beneficial shareholder of the Corporation on whose behalf the special meeting had been requisitioned. The letter specified that the information was required no later than 5 p.m. on May 17, 2010.

On May 13, 2010, Gowlings wrote to Heenan Blaikie LLP, acknowledging receipt of the letter dated May 12, 2010 and stating "Our client is considering your requests and we will respond to you by May 19, 2010 (the 'Record Date')." Gowlings also requested certain information with respect to the Meeting, most of which information is set out in this Circular.

Gowlings neither provided the requested information by the required time on May 17, 2010 nor responded by the Record Date.

On May 14, 2010, Gowlings sent a letter to Heenan Blaikie LLP, counsel to UBS for purposes of the Meeting, "to put you on formal notice of various shareholder concerns". These include the redemption by UBS of its 7% secured convertible debentures issued by Look (the "**Look Debentures**") and "restructuring awards" authorized by the Boards of Directors of Look and UBS.

On May 18, 2010, Heenan Blaikie LLP responded by noting that the letter from Gowlings failed to identify Gowlings' client, and that, at such time as Gowlings identified its client and confirmed that its client is a shareholder of UBS, UBS would respond to the letter.

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Also on May 18, 2010, Heenan Blaikie LLP sent a letter to Gowlings, to the effect that Gowlings had failed to provide the information required by Heenan Blaikie's letter of May 12. The letter cautioned Gowlings that "UBS cannot guarantee that any information you may now provide will be included in UBS' management information circular."

As of the date hereof, UBS does not know the identity of the Requisitioning Shareholder or of the persons comprising the Requisitioning Shareholder's slate of proposed directors.

At a meeting held on May 30, 2010, the Board of Directors approved the contents of this Circular. In light of the fact that the Requisitioning Shareholder has not provided the names of its proposed nominees, despite a formal written request to that effect from UBS' counsel on May 2, 2010, and has not provided the information on the proposed nominees required by law, despite a formal written request to that effect from UBS' counsel on May 12, 2010, and a follow-up letter from UBS' counsel on May 18, 2010, UBS proceeded to finalize and print this Circular in order to ensure that copies would be provided to UBS shareholders within the timeframes prescribed by law.

THE REQUISITIONING SHAREHOLDER PROPOSAL

The requisition calls for UBS shareholders to consider the following matters at the Meeting:

1. to consider, and if deemed advisable, adopt with or without variation, an ordinary resolution to remove from office the current directors of UBS, being Messrs. Gerald T. McGoey, Louis Mitrovich and Douglas Reeson; and
2. if the foregoing resolution is adopted, to consider, and if deemed advisable adopt, with or without variation, an ordinary resolution to fill the vacancies created by the foregoing removal of all of the directors of the Corporation by the election of a slate of proposed directors, whose names are to be provided to the Corporation by the Requisitioning Shareholder, to hold office until the close of the first annual meeting of shareholders following their election.

Your Board of Directors recommends that you **VOTE AGAINST** the resolution to remove from office the current directors of the Corporation.

RECENT EVENTS

Background

UBS always believed that its investment in Look held considerable value. Look's close to 100 MHz of spectrum in Ontario and Quebec represented the largest contiguous block of spectrum in Canada, and so UBS believed this asset would be of interest to those seeking to enter, or expand their offering in, the Canadian wireless market.

After several years of trying to partner with the main telecommunications-market incumbents as well as other parties already in, or seeking to enter, the communications market in Canada's two largest provinces, in which Look held spectrum and broadcast licences, Look retained a financial advisor in October 2006 to review its strategic options to maximize shareholder value. Look's financial advisor actively canvassed the market, contacting operators and investors interested in the wireless market.

An advantage the three telecommunications incumbents had was the knowledge that because Look was a public company and the spectrum and broadcast licences represented all or substantially all of Look's assets, Look would have to bring any proposed transaction to its shareholders for approval. As a result, the telecommunications incumbents would have the opportunity to review any bid for Look or its spectrum and broadcast licences prior to a sale. At this time, Bell and Rogers formed a partnership called Inukshuk Wireless Partnership ("**Inukshuk**"). Through discussions with Rogers, it became apparent to UBS that one objective of Bell and Rogers in forming Inukshuk was to jointly purchase Look's spectrum and broadcast licences when they deemed it desirable to do so.

Despite protracted efforts on the part of Look's financial advisor, it became apparent to Look that many of the potential partners were more interested in participating in the upcoming 2008 AWS (Advanced Wireless Services) auction sponsored by the Canadian federal government rather than entering into a transaction with Look. Recognizing that a deal, if any, was

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unlikely to happen in advance of the AWS auction, Look suspended its discussions until after the government's auction was completed.

Look then commenced a Plan of Arrangement (the "2009 POA") to sell some or all of its assets. Look's shareholders, including UBS, approved the 2009 POA at a special meeting of shareholders held on January 14, 2009, voting overwhelmingly in favour of proceeding with this Court-monitored process.

Sale to Inukshuk

By the 2009 POA deadline for bids in February 2009, Look had received only one viable bid for its spectrum and broadcast license. That bid was from Inukshuk, comprised of Rogers and Bell. Look spent the next few months negotiating the terms of the offer and on May 5, 2009, announced the sale of the spectrum and broadcast licence to Inukshuk for the bid price of \$80 million, subject to numerous terms and conditions, with the proceeds payable in up to three instalments with an outside closing date of May 2012. The bid had been complicated by making the sale of the spectrum and broadcast licence conditional upon, among other things, the settlement of on-going litigation between the Corporation and Rogers and between Look and Bell.

Subsequent to the receipt of the initial \$30 million instalment on May 14, 2009, Look and Inukshuk proceeded to seek the necessary regulatory approval for the sale. In order to keep Look's licence in good standing and to comply with commitments made to the Canadian Radio-Television Telecommunications Commission (CRTC), Look undertook the process of selling its Internet and broadcast subscribers after which, pursuant to the Purchase and Sale Agreement with Inukshuk, Look began to physically dismantle its network across Ontario and Quebec and terminate its personnel.

On September 11, 2009, two-and-a-half years ahead of the May 2012 outside closing date, regulatory approval for the sale to Inukshuk was granted and Inukshuk made its final payment of \$50 million to Look. Although Inukshuk has paid the full consideration of \$80 million to Look, the broadcast license may remain in Look's name until August 2011 or such other time as regulatory approval is received to change the ownership of the broadcast license; to date, no approval has been received for the transfer.

During that same period, Rogers, Look and UBS held negotiations for the purchase by Rogers of Look's \$360 million of tax attributes. UBS publicly indicated its willingness to consider a sale, merger, amalgamation or any other reorganization of its ownership interest in Look if that would facilitate a transaction for the maximization in value of Look's tax attributes. At the same time, Look's Board of Directors wanted to ensure that: (i) Look's existing capital structure did not deter or impede any possible transaction; (ii) all human resource liabilities had been provided for and full and final releases received from management, consultants, directors, officers and employees; and (iii) there was no actual or potential litigation pending. Negotiations with Rogers did not result in a transaction.

The Cash Distribution Plan of Arrangement

In November 2009, Look engaged a financial advisor, BMO Capital Markets, to sell or realize the benefits of its \$360 million of tax attributes.

In 2009, Look resolved its outstanding litigation with Bell Canada and Border Broadcasters Inc. and, in February 2010, with Manalta Investments Company Ltd. (formerly Craig Wireless International Inc.) and packaged Look's tax attributes with cash; UBS, Look and its financial advisors believed that Look was well positioned to realize value for its remaining assets. However, one of the major opportunities for the realization of these tax attributes was closed on March 4, 2010 by the Canadian federal government when it introduced changes to the *Income Tax Act* affecting income trusts, which effectively eliminated a market of potential acquirers.

Accordingly, Look's Board of Directors reconsidered its position with regard to distributing available cash and on April 22, 2010, announced its intention to proceed with a new Plan of Arrangement (the "2010 POA") contemplating, among other things:

- (i) an initial cash distribution by Look to its shareholders;

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- (ii) a change to the capital structure of Look to legally permit the distribution of cash to Look's shareholders, which is currently not permitted under Look's capital structure;
- (iii) an election by each Look shareholder to receive the initial cash distribution in the most tax-effective manner to that shareholder, by way either of repayment of capital or dividend;
- (iv) Look shareholders retaining the same ownership in Look, a Canadian public company whose only remaining major assets would be the \$360 million tax attributes and the Milton, Ontario facilities;
- (v) the sale of the Milton, Ontario facilities, with the net proceeds to be distributed to Look's shareholders without any further shareholders' meetings or approvals required;
- (vi) approval of the 2010 POA by a two-thirds majority of the votes cast by Look's shareholders, by a simple majority of the votes cast by Look's disinterested shareholders (that is, excluding UBS and certain other shareholders), and by the Court, all designed to enhance the potential sale of Look and its tax attributes;
- (vii) releases, whereby parties with possible indemnity claims against Look, including the directors and officers of Look and UBS, would be barred from asserting such claims in exchange for a Court-ordered release, subject to specified exemptions, in favour of those same parties by, among others, Look's former and current shareholders; and
- (viii) prior to Look's announcement of its intention to redeem its Look Debentures, a Conversion Agreement between UBS and Look whereby UBS Wireless Services Inc., a wholly-owned subsidiary of UBS, agreed to use all reasonable efforts to convert only such portion of its Look Debentures into Look shares so as to ensure that it would hold less than 50% of the votes attached to Look's shares on a fully-diluted basis, and redeem or sell its remaining Look Debentures, all in order to preserve Look's tax attributes.

UBS indicated its support of the 2010 POA, believing that:

- (i) Look shareholders, including UBS, would receive cash distributions sooner than under any other method of distribution;
- (ii) Look shareholders would receive their cash distributions in the most tax-effective manner;
- (iii) Look shareholders would maintain their actual shareholding in Look; and
- (iv) the releases referred to in paragraph (vii) above would be obtained.

Subsequent to the announcement of the 2010 POA, a number of Look shareholders indicated either directly or indirectly to Look's advisors, management and Board of Directors that they would not support the 2010 POA. As noted above, the 2010 POA required a two-thirds majority of the votes cast by Look's shareholders as well as a simple majority of the votes cast by Look's disinterested shareholders, that is, those Look shareholders who were not provided with releases pursuant to the 2010 POA. The number of Look shares represented by shareholders who expressed their opposition to the 2010 POA led Look's advisors, management and Board of Directors to believe that the 2010 POA would not receive the necessary level of shareholder support. Accordingly, Look's Board of Directors terminated the 2010 POA on May 3, 2010. In UBS' view, the termination of the 2010 POA and the status of threatened litigation does not bode well for the timely distribution of cash to Look's shareholders or the ultimate realization of any of the tax attributes of Look.

On April 22, 2010, Look announced that it would redeem all outstanding Look Debentures for cash on May 25, 2010, subject to the right of holders of Look Debentures to convert the Look Debentures into Look shares by May 11, 2010. As noted above, on May 3, 2010, Look announced the termination of the 2010 POA. On May 25, 2010, the Look Debenture held by UBS in the principal amount of \$3 million was redeemed by Look at par plus applicable interest. As a result of the conversion into Look shares by the holders of Look Debentures in an aggregate principal amount of \$916,000, UBS' ownership of Look declined from a voting interest of approximately 42% (51.1% fully diluted) to a voting interest of 37.6% and an economic interest of 39.2%. UBS issued press releases on May 11, 2010 and May 12, 2010 and filed an "early warning report" on SEDAR on May 13, 2010 with respect to the foregoing redemption.

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The Future

The early distribution of available cash to Look's shareholders is UBS' ultimate objective. The management and Board of Directors of UBS will also continue to work with Look to seek the realization of all of Look's other remaining assets, comprised of tax attributes and real estate.

UBS understands that Look's management and Board of Directors wish to facilitate the distribution of available cash while at the same time maintaining the tax attributes within Look for the benefit of all of Look's shareholders. UBS believes that the longer it takes for Look to distribute its cash and the longer Look remains a fully reporting and operating entity dealing with threats of litigation, the less cash Look will have to distribute. As well, the value of Look's tax attributes will decrease with time. The human and financial resources of Look will also continue to be poorly utilized and will diminish in both scale and scope.

UBS' management and Board of Directors have reflected on the long and difficult journey to realize value from Look. While the journey did not bring the anticipated results, as outlined at UBS' February 2010 Annual Meeting, it does put Look in the position of being able to distribute its net cash to all Look shareholders and to leave the tax attributes in place for potential realization. UBS' and Look's Boards of Directors continue to review options, which initially appear to be limited until all litigation is resolved. UBS' objective is to have Look distribute as much cash as quickly as possible and maintain the tax attributes of Look, while at the same time respecting all of Look's legal and contractual obligations.

RATIONALE TO VOTE AGAINST THE REQUISITIONING SHAREHOLDER PROPOSAL

The Board of Directors of UBS believes that shareholders should **VOTE AGAINST** the resolution to remove UBS' incumbent directors from office for the following reasons:

1. The Board of Directors Has Managed UBS to Maximize Value for Shareholders

In 2003, when UBS acquired its interest in Look, it transitioned from a technology company that designed, developed and manufactured broadband wireless equipment to a holding company. As set out above under "Recent Events", since 2003 the Board of Directors of UBS has been committed to maximizing the value of UBS' interest in Look and thereby maximizing value for UBS' shareholders.

In this regard, UBS played a key role in, and supported, the 2009 POA, which resulted in the sale by Look to Inukshuk of Look's spectrum and broadcast license for \$80 million. UBS also supported Look's 2010 POA. UBS believes that Look would have distributed a substantial amount of its available cash to Look's shareholders, including UBS, pursuant to the 2010 POA in a rapid, tax-efficient manner. UBS deeply regrets that Look was compelled to terminate the 2010 POA following communications received from, or delivered on behalf of, certain Look minority shareholders opposed to the 2010 POA. UBS will continue to explore with Look the various possibilities of Look distributing available cash to its shareholders, including UBS.

2. The Board of Directors Has Secured Cash Flow for UBS Through Services Provided to Look

On May 19, 2004, UBS and Look entered into a Management Services Agreement (the "**Look MSA**") under which Look engaged UBS to perform certain services. Pursuant to the Look MSA, Look pays an annual fee of \$2.4 million to UBS. This amount represents a significant percentage of UBS' cash flow. Look must also reimburse UBS for certain expenses and disbursements incurred in respect of the Look MSA and the services provided by UBS.

On April 20, 2010, Look notified UBS that the Look MSA would not recommence on May 19, 2010, its anniversary date. Accordingly, the Look MSA will expire on May 19, 2012 or such earlier date that is mutually agreed to by Look and UBS. As of May 19, 2010, Look's remaining liability to UBS for annual fees under the Look MSA was \$4.8 million, of which \$2.4 million has been prepaid by Look. These annual payments will provide UBS with working capital going forward.

In addition, on April 23, 2010, Look and UBS entered into a Conversion Agreement whereby UBS agreed to use all reasonable efforts to convert only such portion of its Look Debentures into Look shares so as to ensure that UBS will hold less than 50% of the votes attached to Look's shares on a fully-diluted basis, and redeem or sell its remaining Look Debentures in order to preserve Look's tax attributes. Pursuant to the Conversion Agreement, Look and UBS each agreed to

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give full and final releases and discharges to the other and to the other's directors, officers, employees, shareholders and affiliates, from any and all claims, actions or causes which each may have against the other, and any and all damages or liabilities which each may have suffered or incurred, as of the date thereof or in future arising out of, relating to or in connection with the Look MSA and the performance thereof, save and except as regards the obligation of Look to pay all amounts stated to be payable by Look to UBS under the Look MSA and the right of UBS to claim such amounts from Look. As a result, Look cannot institute action or make any claim against UBS pursuant to the Look MSA.

3. UBS Board Was Recently Re-Elected

At the Corporation's February 2010 Annual Meeting, the current Board of Directors was re-elected. Of the Common Shares voted by proxy prior to the February 2010 Annual Meeting, approximately 92% were voted for the election of Messrs. McGoey, Mitrovich and Reeson to the Board of Directors. Barely two months later, the Requisitioning Shareholder requisitioned a special meeting of UBS shareholders in order to replace the newly re-elected Board of Directors. The Requisitioning Shareholder could have proposed a slate of alternate directors at the February 2010 Annual Meeting and delivered a dissident proxy circular to UBS shareholders, soliciting their proxies, as permitted by the *Business Corporations Act* (Ontario) and applicable securities legislation. This would have saved UBS and its shareholders considerable expense and a significant amount of management time in calling and holding the Meeting.

4. The Requisitioning Shareholder's Proposal May Result in Expensive and Protracted Litigation, Delay the Distribution of Available Cash by Look, and Reduce the Amount of Look's Available Cash

As a result of the sale of Look's spectrum and broadcast licence to Inukshuk and the resulting restructuring of Look's business, in the fiscal year ended August 31, 2009, UBS approved contingent restructuring awards to certain officers, directors, consultants and members of senior management of UBS in an aggregate amount of approximately \$5.7 million. In determining the contingent restructuring awards, UBS took into account, among other things, the fact that:

- (i) UBS would need to retain executive officers and senior management until May 2012 in order to maintain the spectrum and broadcast licence in good standing pursuant to the conditional sale of these assets to Inukshuk;
- (ii) UBS does not have pension plans nor any other deferred compensation plans in effect;
- (iii) the executives and senior management did not receive any base salary increases in fiscal 2009;
- (iv) the executives and senior management were required to wind-down and restructure Look;
- (v) the executives, directors and senior management were required to provide full and final releases for the relinquishment of all share appreciation rights; and
- (vi) the contingent restructuring awards payable by UBS were contingent on Look receiving the full consideration of \$80 million due from the sale of its spectrum and broadcast licence and are payable upon adequate cash resources being received by UBS.

If Look did not receive the full consideration of \$80 million, the contingent restructuring payments would not have been made and all rights to these contingent restructuring awards and share appreciation rights would have remained relinquished in their entirety. See "Executive Compensation". In 2009, Look granted contingent restructuring awards in an aggregate amount of approximately \$20 million to certain of its officers, directors, consultants and employees.

According to a letter dated May 14, 2010 from Gowlings, counsel to the Requisitioning Shareholder, there are "serious questions" regarding the contingent restructuring awards and they "are at issue". If the Requisitioning Shareholder challenges the contingent restructuring awards granted by UBS and Look, it will likely result in expensive and protracted litigation involving both UBS and Look. This litigation will likely result in a significant delay in Look distributing its available cash to its shareholders, including UBS, and a reduction in the amount of cash available to Look for such distribution.

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5. The Requisitioning Shareholder Wants Control of UBS for No Consideration or Payment to UBS Shareholders

The Requisitioning Shareholder wants control of UBS for no consideration or payment to UBS shareholders. Generally, those seeking control of a public company such as UBS offer shareholders a significant premium for their shares.

6. The Requisitioning Shareholder Has Not Disclosed a Business Plan for UBS

The Board of Directors is concerned that the Requisitioning Shareholder is seeking to take control of UBS while having no articulated business plan for the Corporation. To date, the Requisitioning Shareholder has not disclosed a business plan or strategy for UBS, particularly as it relates to the distribution of available cash by Look. Further, it is impossible to determine whether the Requisitioning Shareholder has any working knowledge of the regulatory environment to which Look is subject or the outstanding commitments pursuant to the Inukshuk Purchase and Sale Agreement.

7. Strong and Experienced Board of Directors

The Board of Directors is comprised of individuals with proven senior experience in the communications industry, as well as financial and corporate-governance expertise.

8. The Requisitioning Shareholder's Proposal May Result in Disruption of Look

The Requisitioning Shareholder proposes to remove all of the directors of UBS, including Messrs. McGoey and Mitrovich. Mr. McGoey is the Chief Executive Officer of UBS and of Look and both Mr. McGoey and Mr. Mitrovich are directors of Look. If the Requisitioning Shareholder's nominees follow its direction, they may take UBS and Look in a direction incompatible with the current direction set by Look's management. UBS and Look's management and remaining employees may not wish to remain in their current positions and may instead wish to explore alternative opportunities at companies in less turmoil.

9. The Requisitioning Shareholder's Proposal Will Trigger Substantial Payments Under an Existing Services Agreement and May Trigger Additional Substantial Payments Under Other Existing Services and Employment Agreements

The removal of the incumbent directors of the Corporation and the election of the nominees to be proposed by the Requisitioning Shareholder will result in a breach of an existing services agreement entered into by UBS and give rise to termination rights under such agreement. In addition, it may result in a breach of other existing services and employment agreements entered into by UBS. In such cases, UBS will be required to pay substantial amounts under such agreements, as discussed below. **This would significantly reduce UBS' cash position and have a material adverse effect on UBS' financial position.** See "Compensation – Executive Compensation – Employment Agreements" for a full description of the three agreements discussed below.

Management Services Agreement with Jolian Investments Ltd.

In accordance with the Corporation's corporate-governance practices, the following description of a Management Services Agreement (the "**Jolian MSA**") entered into between the Corporation and Jolian Investments Ltd. ("**Jolian**"), company controlled by Gerald T. McGoey, the Chairman, Chief Executive Officer and a director of the Corporation, was reviewed and approved exclusively by the two independent directors of the Corporation, without any involvement on the part of Mr. McGoey.

On May 3, 2006, the Corporation and Jolian entered into the Jolian MSA. Jolian is entitled to terminate the Jolian MSA following a "Company Default, which is defined in the Jolian MSA as the failure by UBS to respect any of its obligations thereunder, including, among other things: (i) the failure of Mr. McGoey to be elected to the Board of Directors of UBS; or (ii) the failure of the Board of Directors of UBS to appoint Mr. McGoey as the Chief Executive Officer of UBS; or (iii) the failure of the Board of Directors of UBS to nominate Mr. McGoey as Executive Chairman of UBS. The Jolian MSA specifically provides further that the failure of UBS shareholders to re-elect Mr. McGoey to the Board of Directors of UBS, or the failure of the Board of Directors to appoint Mr. McGoey as Chief Executive Officer of UBS or the failure of the Board

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of Directors of UBS to nominate Mr. McGoey for the position of Executive Chairman of UBS constitutes “termination without cause” for purposes of the Jolian MSA.

In the event that the resolution to remove the incumbent directors of the Corporation from office is adopted at the Meeting, Mr. McGoey will no longer be on the Board of Directors of UBS. This will give Jolian the right to terminate the Jolian MSA as a result of a “Company Default”. If the Jolian MSA is terminated by Jolian following such “Company Default”, Jolian will be entitled to a lump-sum payment equal to 300% of the aggregate of: (i) a “base fee” (currently \$570,000 per year); (ii) a performance incentive (of not less than \$285,000) based on the greater of the performance incentive in the immediately-preceding calendar or fiscal years and the average of the performance incentives paid in the two immediately-preceding calendar or fiscal years; and (iii) certain annualized expenses of Jolian. Taking into account performance incentives awarded only by UBS, the payment that would be due to Jolian upon termination of the Jolian MSA is estimated by the two independent directors of UBS to be \$8.6 million. See “Part 3 – Compensation”. Any such payments due to Jolian under the Jolian MSA are payable to Jolian in a lump-sum payment within five business days of its termination and, in the case of a portion of a contingent restructuring award granted by UBS to Jolian in 2009, immediately upon such termination. The portion of the contingent restructuring award is also immediately payable upon a change in control of UBS. As noted in section 4 above, the contingent restructuring award is otherwise payable upon UBS receiving adequate cash resources. The Jolian MSA does not permit any set off of payments and accordingly, UBS will not be entitled to hold back or set-off against any of its obligations under the Jolian MSA the amount of damages it claims to have sustained, if any, as a result of any alleged breach by Jolian under any other agreements between UBS and Jolian.

Technology Development and Strategic Marketing Agreement with DOL Technologies Inc.

On July 12, 2008, UBS entered into a Technology Development and Strategic Marketing Agreement with DOL Technologies Inc. (“DOL”), a company controlled by Alex Dolgonos. The Technology Development and Strategic Marketing Agreement provides that if UBS terminates the agreement without “Cause”, defined to mean an act of fraud, embezzlement or misappropriation or other act which constitutes “Cause” at common law in an employment-law context, and which is materially injurious to UBS, DOL is entitled to a lump-sum payment equal to 300% of the aggregate of: (i) DOL’s “core compensation” (currently \$475,000 per year); (ii) a performance incentive based on the greater of the performance incentive paid in the immediately-preceding fiscal or calendar years and the average of the performance incentives paid in the two immediately-preceding calendar or fiscal years; and (iii) amounts due and owing for reimbursable expenses at the time of termination. The Technology Development and Strategic Marketing Agreement also provides that DOL may terminate the agreement for “Good Reason” following a “Change-in-Control” of UBS, in which case DOL would be entitled to the foregoing lump-sum payment. “Good Reason” is defined in the agreement to mean that DOL’s business relationship with UBS has been substantially altered by the Board of Directors of UBS. “Change-in-Control” is defined in the Technology Development and Strategic Marketing Agreement to mean that “control (control includes a Person or group of Persons acting in concert holding more than 20% of the voting shares of the Company) of the Company has been transferred to another Person or Persons acting in concert.”

In the event that a new Board of Directors of UBS terminates the Technology Development and Strategic Marketing Agreement without “Cause”, the payment that would be due to DOL is estimated by UBS to be \$7.2 million, taking into account performance incentives paid or awarded only by UBS. See “Part 3 – Compensation”. Any such payments due to DOL under the Technology Development and Strategic Marketing Agreement are payable to DOL in a lump-sum payment within five business days of its termination and, in the case of a portion of a contingent restructuring award granted by UBS to DOL in 2009, immediately upon such termination. The portion of the contingent restructuring award is also immediately payable upon a change in control of UBS. As noted in section 4 above, the contingent restructuring award is otherwise payable upon UBS receiving adequate cash resources. UBS will not be entitled to hold back or set-off against any of its obligations under the Technology Development and Strategic Marketing Agreement the amount of damages it claims to have sustained as a result of any alleged breach by DOL under any other agreements between UBS and DOL.

To the extent that the election of a new Board of Directors is a “Change-in-Control” and the new Board of Directors substantially alters DOL’s business relationship with UBS, DOL would have the right to terminate the Technology Development and Strategic Marketing Agreement and would thereafter be entitled to a lump-sum payment in the amount set out above.

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Employment Agreement with Malcolm Buxton-Forman

On July 8, 2004, UBS entered into an employment agreement with Malcolm Buxton-Forman, Chief Financial Officer of the Corporation. The employment agreement provides that in the event that UBS terminates Mr. Buxton-Forman's employment without cause, Mr. Buxton-Forman will receive a payment equal to nine months of his compensation. The employment agreement further provides that following a change of control of UBS, and if Mr. Buxton-Forman is not employed on terms and conditions that are the same or greater as under his current employment agreement, Mr. Buxton-Forman will receive a payment equal to twelve months' salary and bonus. Should a new Board of Directors of UBS terminate Mr. Buxton-Forman's employment without cause, he will be entitled to a payment equal to at least nine months, and possibly twelve months, of his current compensation. During the fiscal year ended August 31, 2009, Mr. Buxton-Forman received salary and bonus of \$1.3 million. See "Part 3 – Compensation".

In addition, a contingent restructuring award in the amount of \$1 million granted by UBS to Mr. Buxton-Forman in 2009 will become payable upon the earlier of a change in control of UBS or the termination of Mr. Buxton-Forman's employment agreement. As noted in section 4 above, the contingent restructuring award is otherwise payable upon UBS receiving adequate cash resources.

10. The Requisitioning Shareholder Has Not Acted in a Transparent Manner

On April 27, 2010, the Requisitioning Shareholder requisitioned the Meeting. The Requisitioning Shareholder has failed to identify itself to the Corporation or provide the names of the persons who will comprise its slate of proposed directors, despite the Corporation's formal written requests that it do so. Accordingly, the Corporation is not able to provide in this Circular the basic information about the nominees required by applicable law.

On May 13, 2010, Gowlings, counsel for the Requisitioning Shareholder, wrote as follows to counsel to UBS: "Our client is considering your requests [for information] and we will respond to you by May 19, 2010." The Requisitioning Shareholder has failed to do so.

UBS deplores the fact that the Requisitioning Shareholder has not acted in a transparent manner in requisitioning the Meeting, has chosen to remain anonymous, and has failed to provide the names of its nominees for election to the Board of Directors of the Corporation.

SUMMARY

The Board of Directors has managed UBS so as to maximize value for UBS' shareholders. In this regard, UBS supported Look's 2009 POA, which resulted in the sale by Look of its spectrum and broadcast licence to Inukshuk for \$80 million, and supported Look's 2010 POA, which, in UBS' view, would have resulted in the distribution by Look of a substantial amount of its available cash to Look's shareholders, including UBS, in a rapid, tax-efficient manner, an orderly sale of Look's remaining assets (other than cash and tax attributes), and Look being in the best position to maximize the value of its remaining tax attributes. The Board of Directors also secured cash flow for UBS through services provided to Look under the Look MSA.

The Board of Directors was recently re-elected by UBS' shareholders; had the Requisitioning Shareholder presented an alternate slate of directors at the Corporation's February 2010 Annual Meeting, the Corporation would have saved considerable management time and expense. The Requisitioning Shareholder's proposal may result in expensive and protracted litigation, which will delay and ultimately reduce the distribution of Look's available cash. The Board of Directors is concerned that the Requisitioning Shareholder is seeking to take control of UBS for no payment or consideration to UBS' shareholders, while having no articulated business plan for the Corporation, particularly as it relates to the distribution of available cash by Look. The Board of Directors includes individuals with proven senior experience in the communications industry, as well as financial and corporate-governance expertise.

Further, the Board of Directors believes that the Requisitioning Shareholder's proposal will trigger substantial payments under an existing services agreement entered into by UBS and may trigger additional substantial payments under other existing services and employment agreements entered into by UBS, thereby significantly reducing UBS' cash position and having a material adverse effect on UBS' financial position.

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Finally, UBS deplors the fact that the Requisitioning Shareholder has not acted in a transparent manner in requisitioning the Meeting, has chosen to remain anonymous, and has failed to provide the names of its nominees for election to the Board of Directors of the Corporation.

The Board of Directors unanimously recommends that you VOTE AGAINST the resolution to remove UBS' incumbent directors from office, by signing, dating and returning the enclosed BLUE proxy form or BLUE voting instruction form in accordance with the instructions on the BLUE forms.

THE CURRENT BOARD OF DIRECTORS

The three directors of the Corporation are listed below. All are currently directors of the Corporation and have been directors since 2002. They were most recently elected at the February 2010 Annual Meeting, to serve until the 2011 annual meeting of shareholders.

The following table sets out for each of the current directors of the Corporation, his municipality of residence, all positions and offices with the Corporation now held by such person, his principal occupation, the year in which such person became a director of the Corporation, and the number of Common Shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date indicated below.

Name, municipality of residence and position with the Corporation	Principal occupation	First year as director	Number of Common Shares of the Corporation beneficially owned or over which control is exercised as at May 30, 2010
Gerald McGoey ^{(1) (2)} Toronto, Ontario, Canada Chairman and Chief Executive Officer	Chief Executive Officer of the Corporation and of Look	2002	3,100,000
Louis Mitrovich ^{(1) (2)} Oakville, Ontario, Canada Director	Communications Consultant	2002	41,000
Douglas Reeson ⁽¹⁾ Toronto, Ontario, Canada Director	Business Executive	2002	5,500

(1) Member of the Audit and Corporate Governance Committee.
(2) Member of the Nomination, HR and Compensation Committee.

The Board of Directors of the Corporation does not have an Executive Committee. The information as to Common Shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually.

To the knowledge of the Corporation, none of the above-named directors of the Corporation:

- (a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

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- (ii) was subject to an Order that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

To the knowledge of the Corporation, none of the above-named directors of the Corporation has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

REQUISITIONING SHAREHOLDER NOMINEES

As noted above under “Chronology of Requisition”, the Requisitioning Shareholder has not provided the names of the persons who will comprise its slate of proposed directors, despite the Corporation’s formal written requests that it do so. Accordingly, the Corporation is not able to provide in this Circular the basic information about the nominees required by applicable law, including their names, municipalities of residence and principal occupations. If the nominees are elected at the Meeting, they will be elected to serve until the 2011 annual meeting of shareholders.

PART 3 – COMPENSATION

EXECUTIVE COMPENSATION

In order to comply with statutory requirements, the following section on executive compensation is reproduced from the Corporation’s Management Information Circular dated January 19, 2010, prepared in connection with the February 2010 Annual Meeting.

Nomination, HR and Compensation Committee

The Nomination, HR and Compensation Committee is responsible for assisting the Board of Directors in its oversight of the compensation and development of the Corporation’s executives. The members of the Nomination, HR and Compensation Committee in fiscal 2009 were: Louis Mitrovich (Chairman), Peter Minaki and Gerald McGoey. (See “Corporate Governance — Compensation”, below.)

Compensation Philosophy and Objectives

The Corporation’s executive compensation program serves the purpose of attracting, motivating and retaining the executives needed to achieve and surpass our corporate objectives. The Corporation’s compensation philosophy and objectives foster a “pay for performance” culture by placing a significant emphasis on variable pay for its executives and senior management. The primary objectives of the compensation program are to reward performance in both the short and long-term with respect to the strategic and operational goals of the Corporation.

The strategic and operational goals of the Corporation include maximizing the value of the Corporation’s investment in Look by: (i) obtaining adequate financing for the rollout of mobile broadband in the Provinces of Ontario and Quebec; and

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(ii) partnering, acquiring and divesting, as necessary, to implement the Corporation's strategy of maximizing shareholder value.

Base salaries provide executives and senior management with fixed compensation that reflects the market value of a position and the skills and experience of the executive and senior management, and are paid in accordance with formal agreements as detailed below. Annual and long-term incentives provide the executive with variable compensation consistent with market practices and the accomplishments for the year under review.

Input from Management

The year under review was a unique and complex year for the Corporation and included: (i) the sale of Look's spectrum and broadcast licence; (ii) the winding down and restructuring of Look; (iii) the termination of all services to subscribers; (iv) the decommissioning of Look's wireless network across the Provinces of Ontario and Quebec; and (v) a significant reduction in full and part-time employees.

The implications to our executive compensation were significant — specifically, executives were not: (i) allowed to trade shares of the Corporation, and (ii) allowed to exercise options to acquire shares of the Corporation given that the black-out on trading imposed on them over the past few years was extended from December 1, 2008, the commencement of Look's Plan of Arrangement (“**POA**”) described below.

Due to the complexity of the negotiations, regulations and the assets involved, combined with the day-to-day involvement of the CEO throughout fiscal 2009, the Nomination, HR and Compensation Committee believes that the CEO is in the best position to assess the performance of executives and to provide valuable input regarding the granting of special contingent restructuring awards during fiscal 2009. Accordingly, the Corporation has engaged in discussions with legal counsel and the Nomination, HR and Compensation Committee has considered recommendations from the CEO concerning, among other things: (i) appropriate base salary levels and internal equity among executives; (ii) who should participate in the incentive programs and at what levels; (iii) the determination of performance awards; and (iv) the establishment of payment criteria for special contingent restructuring awards following the sale of Look's main assets and the resulting restructuring of Look. With respect to equity grants, the Nomination, HR and Compensation Committee also considers recommendations from the CEO as to appropriate grant levels for executives and other employees.

Although the Nomination, HR and Compensation Committee takes the information provided by the CEO into careful consideration, it makes independent recommendations to the Board of Directors on all executive compensation matters.

Executive Compensation

After many years of attempting to realize the strategic and operational goals noted above, including the engagement of an investment banker for a period of approximately two years to assist the Corporation in the realization of these goals, Look, fully supported by UBS, implemented a POA in December 2008, subsequently approved by Look's shareholders in January 2009, as a further attempt to realize these strategic and operational goals. The Corporation was able to design, implement, negotiate and close the entire spectrum and broadcast licence transaction during 2009 thus avoiding the continuation of the conditional sale which could have extended to May 2012.

The contingent restructuring awards were granted to executive officers, senior management, directors and employees, due to the exceptional context in which the Corporation operated during fiscal 2009. The contingent restructuring awards are extraordinary and non-recurring and should not therefore be used as an indicator of expected compensation levels in future years.

In determining the contingent restructuring awards, the Corporation took into account, among other things, the fact that: (i) the Corporation may have needed to retain executive officers and senior management until May 2012 in order to maintain the spectrum and broadcast licence in good standing pursuant to the conditional sale of these assets to the Inukshuk Wireless Partnership (“**Inukshuk**”); (ii) the Corporation does not have a pension plan nor any other deferred compensation plan in effect; (iii) the executives and senior management did not receive any base salary increases in fiscal 2009; (iv) the executives and senior management were required to wind-down and restructure Look; (v) the executives, directors and senior management were required to provide full and final releases for the relinquishment of all SAR units and Look's stock options; (vi) the contingent restructuring awards payable by Look were contingent on Look receiving the full consideration of

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\$80 million due from the sale of its spectrum and broadcast licence; and (vii) the contingent restructuring awards payable by UBS were contingent on Look receiving the full consideration of \$80 million due from the sale of its spectrum and broadcast licence and are contingent on adequate cash resources being received by the Corporation. If Look did not receive the full consideration of \$80 million, the contingent restructuring payments would not have been made and all rights to these contingent restructuring awards, SAR units and Look's stock options would have remained relinquished in their entirety.

The amounts of the contingent restructuring awards payable to executives, directors and senior management, after extensive consultation with the CEO and legal counsel, were approved by the Nomination, HR and Compensation Committee and the Board of Directors based on the position of such executives within the Corporation and their role in the transaction involving the sale of the spectrum and broadcast licence and the resulting restructuring of Look.

Summary of Compensation

The following table sets out all annual and long-term compensation for services in all capacities to the Corporation earned for the fiscal year ended August 31, 2009 by the CEO, the Chief Financial Officer and the one other "executive officer" of the Corporation (as such term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*) who earned more than \$150,000 during the fiscal year ended August 31, 2009 (collectively, the "Named Executive Officers" or "NEOs").

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation ⁽¹⁾ (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Gerald McGoey CEO and Chairman of the Board of Directors	2009	—	—	249,118 ⁽²⁾	—	—	—	8,050,818 ⁽³⁾	8,299,936
Alex Dolgonos Technology Consultant	2009	—	—	118,530 ⁽⁴⁾	—	—	—	5,982,498 ⁽⁵⁾	6,101,028
Malcolm Buxton-Forman Chief Financial Officer	2009	175,000	—	59,777 ⁽⁶⁾	—	—	—	1,124,000	1,358,777

(1) Refer to the table below for a breakdown of All Other Compensation.

(2) Gerald McGoey was granted 2,000,000 options at an exercise price of \$0.15 and 100,000 options at an exercise price of \$0.16. The value noted above was calculated using the Black Scholes pricing model and the following inputs: interest rate of 2.6% and 2.1%, years to maturity of 5 and 3.5, and volatility of 117% and 122%, respectively.

(3) Includes payments made to and accrued for Jolian Investments Ltd, a corporation controlled by Gerald McGoey.

(4) DOL Technologies Inc. was granted 1,000,000 options at an exercise price of \$0.15. The value noted above was calculated using the Black Scholes pricing model and the following inputs: interest rate of 2.6%, years to maturity of 5, and volatility of 117%.

(5) Includes payments made to and accrued for DOL Technologies Inc., a corporation controlled by Alex Dolgonos.

(6) Malcolm Buxton-Forman was granted 250,000 options at an exercise price of \$0.15 and 250,000 options at an exercise price of \$0.16. The value noted above was calculated using the Black Scholes pricing model and the following inputs: interest rate of 2.6% and 2.1%, years to maturity of 5 and 3.5, and volatility of 117% and 122%, respectively.

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The breakdown of All Other Compensation noted in the table above is set out in the following table:

Name	Management services fees (\$)	Consulting fees (\$)	Director fees (\$)	Contingent award from the Corporation ⁽¹⁾ (\$)	Contingent award from a subsidiary ⁽²⁾ (\$)	Other ⁽³⁾ (\$)	Total (\$)
Gerald McGoey ⁽⁴⁾	570,000	—	63,500	1,800,000	5,565,696	51,622	8,050,818
Alex Dolgonos ⁽⁵⁾		475,000	—	1,530,000	3,950,737	26,761	5,982,498
Malcolm Buxton-Forman ⁽⁶⁾	—	—	—	1,000,000	100,000	24,000	1,124,000

- (1) The Contingent Awards payable by UBS are contingent upon the receipt by Look of the full consideration of \$80 million due from Inukshuk pursuant to the sale of Look's spectrum and broadcast licence and adequate cash resources being received by UBS.
- (2) The Contingent Awards payable by Look are contingent upon the receipt by Look of the full consideration of \$80 million due from Inukshuk pursuant to the sale of Look's spectrum and broadcast licence.
- (3) Other includes interest on deferred bonuses, car allowances and club subscriptions.
- (4) During fiscal 2009, Jolian Investments Ltd, a corporation controlled by Gerald McGoey, relinquished all rights to 3,000,000 SAR units in UBS and 14,768,921 SAR units and 335,213 options in Look. If Look did not receive the full consideration of \$80 million due from Inukshuk, the accrued contingent payments would not have been made and all rights to these contingent payments, SAR units and options would have remained relinquished.
- (5) During fiscal 2009, DOL Technologies Inc., a corporation controlled by Alex Dolgonos relinquished all rights to 3,000,000 SAR units in UBS and 7,384,461 SAR units in Look. If Look did not receive the full consideration of \$80 million due from Inukshuk, the accrued contingent payments would not have been made and all rights to these contingent payments, SAR units and options would have remained relinquished.
- (6) During fiscal 2009, Malcolm Buxton-Forman relinquished all rights to 300,000 SAR units and 200,000 options in Look.
- (7) If Look did not receive the full consideration of \$80 million due from Inukshuk, the accrued contingent payments would not have been made and all rights to these contingent payments, SAR units and options would have remained relinquished.

Employment Agreements

The Corporation has entered into a Management Services Agreement with Jolian, which is controlled by Gerald McGoey, a consulting agreement with DOL Technologies Inc., which is controlled by Alex Dolgonos and an employment agreement with Malcolm Buxton-Forman. The agreements provide the terms and conditions of these individuals' service, consulting or employment arrangements, including base salary or fees, annual performance incentives and severance payments to be received by them in the event of a termination of service/employment. The following is a summary of the key employment agreements:

Jolian Investments Ltd.

The Corporation entered into a Management Services Agreement with Jolian and cancelled an employment agreement with Gerald McGoey effective January 1, 2006. Jolian is located at 100 Rosedale Heights Drive, Toronto, Ontario, M4T 1C6.

Under the Management Services Agreement, Jolian shall cause Mr. McGoey to perform the services of the CEO of the Corporation and such other services as the Corporation deems appropriate. The Corporation has agreed to include Mr. McGoey on the management slate for election to the Board of Directors throughout the term of the Management Services Agreement.

The term of the Management Services Agreement is moving three-year periods, commencing January 1, 2006. On each January 1, the three-year term recommences unless the Corporation communicates in writing to Jolian its intent that the Management Services Agreement not recommence, in which case the Management Services Agreement expires on completion of the three-year term then in effect.

On May 15, 2007, the Board of Directors amended the annual base fee payable to Jolian to \$570,000, which may be increased annually at the sole discretion of the Board of Directors. In addition, the Board of Directors may from time-to-time award bonuses to Jolian, based on performance criteria that the Board of Directors deems appropriate, in the form of cash bonus payments, the direct grant of treasury shares of the Corporation, or the grant of stock options. The Corporation must reimburse Jolian for all expenses incurred by it. The Management Services Agreement includes standard non-competition, non-solicitation and confidentiality provisions.

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Jolian is entitled to terminate the Management Services Agreement upon four months' written notice. If Jolian terminates the Management Services Agreement, the Corporation is required to pay Jolian the "base fee" (currently \$570,000 per year) then due and owing, a *pro rata* portion of any performance incentive actually awarded and unpaid at the time of termination and all expenses due and owing. All stock options (whether or not granted or vested) will be immediately cancelled in such circumstances.

The Corporation is entitled to terminate the Management Services Agreement in the event of an act of fraud, theft or material misappropriation by Mr. McGoey or upon the material failure by Mr. McGoey to perform his services as CEO under the Management Services Agreement.

In the event of a "change in control" of the Corporation, Jolian is entitled to terminate the Management Services Agreement. The term "change in control" is defined in the Management Services Agreement as a transaction, or a series of transactions, the result of which is that a person, or persons acting in concert, acquire control or direction over 20% or more of the outstanding Common Shares at a point in time when Jolian exercises control or direction over less than 50% of the outstanding Common Shares.

In the event that Jolian terminates the Management Services Agreement following a "change in control" of the Corporation or following the failure by the Corporation to respect any of its obligations under the Management Services Agreement (after having received written notice of such failure and having been given reasonable time to correct such failure), Jolian is entitled to a lump sum payment equal to 300% of the aggregate of: (i) the "base fee" (currently \$570,000 per year); (ii) a performance incentive (of not less than \$285,000) based on the highest performance incentive in the previous two calendar or fiscal years; and (iii) certain annualized expenses of Jolian. In addition, all stock options then granted but not yet vested will immediately vest and be exercisable for a period ending five years after the date of the grant.

DOL Technologies Inc.

The Corporation entered into a consulting agreement with Alex Dolgonos, effective March 18, 2002. On July 12, 2008, the Corporation entered into a Technology Development and Strategic Marketing Agreement (the "**Technology Agreement**"), effective May 1, 2008, with the Consultant, located at 207 Arnold Avenue, Toronto Ontario L4J 1C1. The Technology Agreement replaces the 2002 consulting agreement with Mr. Dolgonos.

Under the Technology Agreement, the Consultant will continue to provide, amongst other things, technology consulting services to the Corporation. The current term of the Technology Agreement is for a period of three years, commencing May 1, 2008. Unless the Board of Directors has decided otherwise and has communicated that decision to the Consultant in writing within the three months preceding the end of the current term, the Technology Agreement shall be automatically renewed for a further three years on the terms and conditions no less favourable to the Consultant than those contemplated in the Technology Agreement.

Pursuant to the Technology Agreement, the Consultant will receive an annual base fee of \$475,000, which may be increased annually at the sole discretion of the Board of Directors. In addition, the Board of Directors may from time-to-time award bonuses to the Consultant, based on performance criteria that the Board of Directors of Directors deems appropriate.

The Corporation must reimburse the Consultant for all expenses incurred by it. The Technology Agreement includes standard non-competition, non-solicitation and confidentiality provisions.

The Consultant is entitled to terminate the Technology Agreement upon four months' written notice. If the Consultant terminates the Technology Agreement, the Corporation is required to pay the Consultant the "base fee" (currently \$475,000 per year) then due and owing, a *pro rata* portion of any performance incentive actually awarded and unpaid at the time of termination and all expenses due and owing. All stock options (whether or not granted or vested) will be immediately cancelled in such circumstances.

In the event of a "change in control" of the Corporation, the Consultant is entitled to terminate the Technology Agreement. The term "change in control" is defined in the Technology Agreement as meaning that control (control includes a Person or group of Persons acting in concert holding more than 20% of the voting shares of the Corporation) of the Corporation has transferred to another person or persons acting in concert.

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In the event that the Consultant terminates the Technology Agreement following a “change in control” of the Corporation or the Corporation terminates the Technology Agreement at any time without cause, the Consultant is entitled to a lump sum payment equal to 300% of the aggregate of: (i) the “base fee” (currently \$475,000 per year); (ii) a performance incentive based on the greater of the performance incentive in the immediately preceding fiscal or calendar years and the average bonuses paid in the immediately preceding two calendar or fiscal years; and (iii) amounts due and owing at the time of termination. In addition, in the event of a “change of control”, all stock options then granted but not yet vested will immediately vest and be exercisable for a period ending five years after the date of the grant.

Malcolm Buxton-Forman

The Corporation has entered into an employment agreement with Malcolm Buxton-Forman effective July 8, 2004. Pursuant to the agreement, Mr. Buxton-Forman receives an annual base salary of \$175,000, with annual reviews. In addition, Mr. Buxton-Forman is eligible for an annual performance bonus, determined at the sole discretion of the CEO. The Corporation also provides Mr. Buxton-Forman with four weeks’ paid vacation per year and a benefits package. In the event that the Corporation terminates the employment agreement with Mr. Buxton-Forman other than for cause, Mr. Buxton-Forman will be entitled to receive a lump sum payment equal to nine months of his annual salary. If following a change of control of the Corporation, Mr. Buxton-Forman is not employed on the same terms and conditions as under his current employment agreement, Mr. Buxton-Forman will be entitled to receive: (i) a lump sum payment equal to twelve months of his annual salary; and (ii) a bonus calculated in accordance with the employment agreement. Options that have been granted and those to which he would have been entitled under the terms of the agreement will vest immediately and will be exercisable at any time in accordance with the Corporation’s stock option plan.

INCENTIVE PLANS

In order to comply with statutory requirements, the following section on incentive plans is reproduced from the Corporation’s Management Information Circular dated January 19, 2010, prepared in connection with the February 2010 Annual Meeting.

Stock Option Plan

The foregoing stock options were granted under the Corporation’s stock option plan (the “**Option Plan**”). The purpose of the Option Plan is to enhance the Corporation’s ability: (a) to attract and retain persons to serve as directors, officers and employees of the Corporation and its affiliates or to render consulting services to the Corporation; and (b) to promote a greater alignment of interest between such directors, officers, employees and consultants and the shareholders of the Corporation. The following is a summary of the Option Plan.

In August 2000, the Board of Directors established the Option Plan for the Corporation’s directors, employees and consultants. The Option Plan was approved by the shareholders of the Corporation on November 9, 2000. The Option Plan was drafted to conform to the then-applicable policies of the Canadian Venture Exchange. Since that time, the TSX Venture Exchange (the successor to the Canadian Venture Exchange) has revised its policies regarding incentive stock options. On August 31, 2004, the Board of Directors amended and restated the Option Plan. The amended and restated Option Plan was approved by the shareholders of the Corporation on February 17, 2005.

Under the Option Plan, the Board of Directors may by resolution grant options to directors, officers and employees of, and consultants to, the Corporation, provided that the total number of shares issued under the Option Plan does not exceed 19,765,596. The total number of shares which may be issued under the amended and restated Option Plan represents approximately 19% of the Corporation’s currently issued and outstanding shares. The exercise price of the options is determined by the Board of Directors at the time of the grant of an option, but cannot be lower than the closing market price of the Corporation’s shares on the TSX Venture Exchange on the day immediately prior to the date on which the option is granted. The maximum period during which an option may be exercised is ten years from the date on which it is granted. Each option granted under the Option Plan is personal to the optionee and is not assignable or transferable except by will or by the laws of succession of the place of domicile of a deceased optionee.

Under the Option Plan, upon an optionee’s employment with the Corporation being terminated for cause, any option not exercised terminates immediately. If an optionee dies or becomes permanently disabled, any option may be exercised for that number of shares which the optionee was entitled to acquire at the time of death or permanent disability. Such option may be

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exercised within a period of one year after the date of death or 90 days after the occurrence of the optionee's permanent disability (or such longer period as may be determined by the Board of Directors) or prior the expiration of the term of the option, whichever occurs earlier. Upon an optionee's employment, office or directorship or consulting services ending other than by reason of death, permanent disability or termination for cause, any option may be exercised for that number of shares which the optionee was entitled to acquire at the time of such termination. Such option may be exercised within a period of 90 days after such termination (or such longer period as may be determined by the Board of Directors) or prior to the expiration of the term of the option, whichever occurs earlier.

Share Appreciation Rights Plan

On October 12, 2006, the Board of Directors approved the 2006 Share Appreciation Rights Plan (the "**SAR Plan**"). The purpose of the SAR Plan is to enhance the Corporation's ability: (a) to attract and retain persons to serve as directors, officers and employees of the Corporation and its affiliates or to render consulting services to the Corporation; and (b) to promote a greater alignment of interest between such directors, officers, employees and consultants and the shareholders of the Corporation. Upon the recommendation of the Nomination, HR and Compensation Committee, the Board of Directors may award share appreciation rights ("**SAR**") units to participants pursuant to the SAR Plan. SAR units may be awarded to participants at any time and are subject to the terms and conditions determined by the Board of Directors. When conditions attaching to an award of SAR units are met, the Corporation is required to pay the participant an amount equal to the "value" of his or her SAR units at that date, less all required statutory deductions.

The "value" of SAR units is defined in the SAR Plan as the average closing board lot sale price of the Common Shares of the Corporation on the TSX Venture Exchange on the last preceding day on which the Common Shares were traded. The payment will be made in the form of a lump sum cash payment no later than 30 days after the date on which all conditions are met, or, subject to regulatory approval, in shares or a combination of cash and shares.

If a participant under the SAR Plan terminates employment, board membership or consultant status with the Corporation other than by reason of death or permanent disability, all of such person's SAR units will be forfeited and such person will not be entitled to receive any payment in respect thereof. In the event of death or permanent disability of a participant under the SAR Plan, such person's SAR units will remain outstanding for one year after the date of termination. If the conditions attaching to such person's SAR units are met during the one-year period, payment will be made to the participant or to the participant's estate, as the case may be.

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Incentive Plan Awards

The outstanding option-based and share-based awards as at August 31, 2009 for the NEOs are as follows:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested ⁽²⁾ (#)	Market or payout value of share-based awards that have not vested (\$)
Gerald McGoey	1,000,000	0.48	17-Jun-2012	—	—	—
	333,333	0.25	03-Jun-2010	—	—	—
	333,334	0.25	03-Jun-2011	—	—	—
	144,000	0.21	17-Feb-2010	—	—	—
	1,000,000	0.165	21-Jul-2010	—	—	—
	167,000	0.135	21-Dec-2010	1,670	—	—
	1,000,000	0.12	05-Jun-2011	25,000	—	—
	150,000	0.40	26-Mar-2012	—	—	—
	2,000,000	0.34	22-Jun-2017	—	—	—
	100,000	0.16	20-Nov-2013	—	—	—
2,000,000	0.15	31-Aug-2019	—	—	—	
Alex Dolgonos	1,000,000	0.48	11-Jan-2012	—	—	—
	1,000,000	0.32	19-Oct-2017	—	—	—
	1,000,000	0.44	24-Jul-2013	—	—	—
	1,000,000	0.15	31-Aug-2019	—	—	—
Malcolm Buxton-Forman	500,000	0.195	21-Apr-2010	—	—	—
	250,000	0.16	21-Jul-2010	—	—	—
	50,000	0.135	21-Dec-2010	500	—	—
	200,000	0.12	05-Jun-2011	5,000	—	—
	250,000	0.16	20-Nov-2013	—	—	—
	250,000	0.15	31-Aug-2019	—	—	—

(1) The value of unexercised in-the-money options for the NEOs is based on a closing share price of \$0.145 as at August 31, 2009.

Incentive plan awards – value vested or earned during the year

Name	Option-based awards – value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Gerald McGoey	—	—	—
Alex Dolgonos	—	—	—
Malcolm Buxton-Forman	—	—	—

(1) None of the options that vested during the year for any of the NEOs were in the money on the vesting dates of the options.

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DIRECTORS' COMPENSATION

In order to comply with statutory requirements, the following section on directors' compensation is reproduced from the Corporation's Management Information Circular dated January 19, 2010, prepared in connection with the February 2010 Annual Meeting.

Compensation of Directors

During fiscal 2007, the remuneration payable to directors was amended. On October 12, 2006, the Board of Directors approved an amendment to the directors' compensation whereby the stock option component of compensation was replaced with a Share Appreciation Rights (SAR) component. Pursuant to this amendment, each director was awarded 1.5 million SAR units, the vesting of which is subject to the fulfillment of specific terms and conditions approved by the Board of Directors on October 12, 2006. Notwithstanding the change to the stock option component, the directors remain eligible for the granting of stock options pursuant to the Corporation's Option Plan described above.

On May 15, 2007, the Corporation fixed director compensation at \$24,000 per year and \$1,500 per meeting, to a maximum of \$3,000 per day, irrespective of the number of meetings attended by a director on any given day. Each committee chairman receives an additional \$5,000 per year, except for the chairman of the Audit and Corporate Governance Committee who receives an additional \$10,000 per year.

Compensation Paid to Directors during the Fiscal Year

The following table sets out the amounts paid and accrued and stock options granted as compensation to the directors for their services as directors during the fiscal year ended August 31, 2009:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation ⁽²⁾ (\$)	Total (\$)
Peter Minaki ⁽³⁾	63,500	—	12,058	—	—	465,000	540,558
Louis Mitrovich	63,500	—	12,058	—	—	450,000	525,558
Douglas Reeson	68,500	—	12,058	—	—	465,000	545,558

- (1) Each director was granted 100,000 options at an exercise price of \$0.16. The value noted above was calculated using the Black Scholes pricing model and the following inputs: interest rate of 2.1%, years to maturity of 3.5, and volatility of 122%.
- (2) The all other compensation payable by UBS is contingent upon the receipt by Look of the full consideration of \$80 million due from Inukshuk pursuant to the sale of Look's spectrum and broadcast licence and adequate cash resources being received by UBS. During fiscal 2009, Peter Minaki and Douglas Reeson each relinquished all rights to 1,650,000 SAR units in UBS and Louis Mitrovich relinquished all rights to 1,500,000 SAR units in UBS. If Look did not receive the full consideration of \$80 million due from Inukshuk, the accrued contingent payments would not have been made and all rights to these contingent payments and SAR units would have remained relinquished.
- (3) Peter Minaki resigned as a director of the Corporation on September 2, 2009.

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Incentive Plan Awards

The outstanding option-based and share-based awards as at August 31, 2009 for the directors are as follows:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Louis Mitrovich	144,000	0.210	17-Feb-2010	—	—	—
	167,000	0.135	21-Dec-2010	1,670	—	—
	150,000	0.400	26-Mar-2012	—	—	—
	86,000	0.440	24-Jul-2013	—	—	—
	100,000	0.160	20-Nov-2013	—	—	—
Douglas Reeson	144,000	0.210	17-Feb-2010	—	—	—
	167,000	0.135	21-Dec-2010	1,670	—	—
	150,000	0.400	26-Mar-2012	—	—	—
	86,000	0.440	24-Jul-2013	—	—	—
	100,000	0.160	20-Nov-2013	—	—	—
Peter Minaki	144,000	0.210	17-Feb-2010	—	—	—
	167,000	0.135	21-Dec-2010	1,670	—	—
	150,000	0.400	26-Mar-2012	—	—	—
	86,000	0.440	24-Jul-2013	—	—	—
	100,000	0.160	20-Nov-2013	—	—	—

(1) The value of unexercised in-the-money options for the directors is based on a closing share price of \$0.145 as at August 31, 2009.

Incentive plan awards – value vested or earned during the year

Name	Option-based awards – value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Louis Mitrovich	—	—	—
Douglas Reeson	—	—	—
Peter Minaki	—	—	—

(1) None of the options that vested during the year for any of the directors were in the money on the vesting dates of the options.

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SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

In order to comply with statutory requirements, the following section on securities authorized for issuance under equity compensation plans is reproduced from the Corporation's Management Information Circular dated January 19, 2010, prepared in connection with the February 2010 Annual Meeting.

The following table sets out certain details as at August 31, 2009, the end of the Corporation's last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	15,890,667	\$0.27	2,295,973
Equity compensation plans not approved by security holders	—	—	—
Total	15,890,667	\$0.27	2,295,973

PART 4 – CORPORATE GOVERNANCE

In order to comply with statutory requirements, the following Part 4 on corporate governance is reproduced from the Corporation's Management Information Circular dated January 19, 2010, prepared in connection with the February 2010 Annual Meeting, with the exception of two updates of information relating to Mr. Douglas Reeson, a director of the Corporation.

CORPORATE GOVERNANCE

The Board of Directors is committed to ensuring that the Corporation has an effective corporate governance system, which adds value and assists the Corporation in achieving its objectives. For the Corporation, corporate governance means the process and structure used to supervise the Corporation's business and affairs with the objective of enhancing shareholder value. The process and structure define the division of authority and responsibilities and establish mechanisms for achieving accountability by the Board of Directors and management.

The Corporation acknowledges the benefits received by it and shareholders from the disclosure of governance practices and is committed to an ongoing process of disclosure.

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices*, which came into force on June 30, 2005, set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

1. Board of Directors

During fiscal 2009, the Board of Directors was composed of four directors. The Board of Directors considered that three of the directors were independent, according to the definition of "independence" set out in Multilateral Instrument 52-110 *Audit Committees*. The three independent directors in fiscal 2009 were Louis Mitrovich, Peter Minaki and Douglas Reeson. Peter Minaki resigned as a director on September 2, 2009.

The Board of Directors considers that Gerald McGoey is not independent in that he is an executive officer of the Corporation.

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During fiscal 2009, the independent directors met with the external auditors, KPMG, at an *in camera* session without management and the non-independent director.

The Board of Directors does not have an independent chair but provides leadership to independent directors through keeping them abreast of new industry developments and giving them access to management at each Board of Directors meeting.

During fiscal 2009, there was a 100% attendance record by directors at board meetings and meetings of committees of the Board of Directors. As a general practice, directors who are not on a committee are invited to attend committee meetings and in most cases do so.

The following directors of the Corporation are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name	Issuer
Gerald McGoey	Look Communications Inc.
Louis Mitrovich	Look Communications Inc.
Douglas Reeson	Gossan Resources Limited Mega Uranium Ltd. Mengold Resources Inc. Soltoro Ltd. Colossus Minerals Inc. Lithium Americas Corp.

2. **Mandate of the Board of Directors**

The Board of Directors does not have a written mandate. The Board of Directors is responsible for the stewardship of the Corporation. This requires the Board of Directors to oversee the conduct of the business and affairs of the Corporation. The Board of Directors discharges some of its responsibilities directly and discharges others through committees of the Board of Directors. The Board of Directors is not responsible for the day-to-day management and operation of the Corporation's business, as this responsibility has been delegated to management. The Board of Directors is, however, responsible for supervising management in carrying out this responsibility.

3. **Position Descriptions**

There are two committees of the Board of Directors: the Audit and Corporate Governance Committee and the Nomination, HR and Compensation Committee.

Each board committee is chaired by an independent director, who is responsible for organizing the affairs of their committee, chairing its meetings, providing guidance to the members of their committee, retaining outside experts as and when required and reporting to the Board of Directors on the work of their committee.

The Corporation has entered into a management service agreement with Jolian., which provides amongst other things, the services of the CEO to the Corporation. The CEO's role and responsibilities are documented in this agreement.

The Corporation sets corporate objectives as part of its annual budgeting process, which are approved by the Board of Directors. These objectives, together with the Corporation's strategic plan, comprise the principal mandate of the CEO. The CEO's objectives also include the general mandate to maximize shareholder value.

The corporate objectives are reviewed quarterly by the Board of Directors and the CEO's performance review is based on performance against these objectives.

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4. Orientation and Continuing Education

Each of the three current directors of the Corporation has been a director since 2002. Accordingly, the Corporation has not prepared a formal orientation program for new directors.

The Corporation provides directors with the opportunity to meet senior management of the Corporation.

The Chairman and CEO periodically selects special educational or informational topics for presentation and discussion at Board of Directors meetings, which deal with the business and regulatory environment in which the Corporation operates, and the telecommunications industry generally. In addition, industry-related articles of interest are distributed to directors on a regular basis.

5. Ethical Business Conduct

The Board of Directors has not adopted a formal Code of Ethics for the Corporation. The Board of Directors has determined that the senior officers of the Corporation should observe and promote the following principles with respect to the business of the Corporation:

- (a) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) full, fair, accurate, timely and understandable disclosure in public communications and in reports and documents that are filed with, or submitted to, the securities regulatory authorities; and
- (c) compliance with applicable laws, rules and regulations.

The Board of Directors has also determined that no senior officer of the Corporation should take any action to: (i) fraudulently influence, coerce, manipulate or mislead the auditors of the Corporation; or (ii) retaliate against “whistle blowers” (that is, employees who provide information or assist in a government or supervisory investigation of the Corporation).

Directors and officers are required to disclose any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest.

6. Nomination of Directors

The mandate of the Nomination, HR and Compensation Committee, which is comprised of one independent director and one non-independent director, includes the recommendation of qualified candidates for the Board of Directors and annual reviews of the effectiveness of the Board of Directors and individual directors.

The Nomination, HR and Compensation Committee assess potential Board of Directors candidates to fill perceived needs on the Board of Directors for required skills, expertise, independence and other factors. Members of the Board of Directors and representatives of the Corporation’s related industry may be consulted for possible candidates.

7. Compensation

The mandate of the Nomination, HR and Compensation Committee includes an annual review of the appropriateness and adequacy of directors’ and officers’ compensation.

In making compensation decisions the Nomination, HR and Compensation Committee has the authority to engage independent counsel and other advisors as it determines necessary. The Corporation’s policies on compensation are intended to provide appropriate compensation for directors and officers that is internally equitable, externally competitive and reflects individual achievements in the context of the Corporation.

The Committee did not retain the services of any compensation consultant during fiscal 2009.

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8. Other Board of Directors Committees

Other than the Audit and Corporate Governance Committee and Nomination, HR and Compensation Committee, the Board of Directors had a Technology Committee during fiscal 2009. The Technology Committee was responsible for advising the Board of Directors on current technology issues and opportunities for the Corporation. The Technology Committee has been discontinued.

9. Assessments

The Nomination, HR and Compensation Committee is responsible for an annual review of the effectiveness of the Board of Directors, its committees and individual directors. Such reviews are conducted prior to directors being nominated for re-election to the Board of Directors by shareholders.

To assist in its review, the Nomination, HR and Compensation Committee conducts informal surveys of the directors. As part of the assessments, the Board of Directors or the individual committees or the individual directors may review their respective roles and responsibilities.

AUDIT AND CORPORATE GOVERNANCE COMMITTEE

Charter of the Audit and Corporate Governance Committee

The Charter of the Audit and Corporate Governance Committee is annexed to this Circular as Schedule B.

Composition of the Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee is currently composed of Gerald McGoey, Louis Mitrovich and Douglas Reeson. Under Multilateral Instrument 52-110 *Audit Committees*, a director of an audit committee is “independent” if he or she has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of the member’s independent judgment. The Board of Directors has determined that Louis Mitrovich and Douglas Reeson are independent members of the Audit and Corporate Governance Committee and that Gerald McGoey is not an independent member of the Audit and Corporate Governance Committee in that Mr. McGoey is CEO of the Corporation.

The Board of Directors has determined that each of the three members of the Audit and Corporate Governance Committee is “financially literate” within the meaning of section 1.6 of Multilateral Instrument 52-110 *Audit Committees*, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Education and Relevant Experience

The education and related experience of each of the members of the Audit and Corporate Governance Committee that is relevant to the performance of his responsibilities as a member of an audit committee are set out below.

Gerald McGoey holds a Bachelor’s Degree in Economics from Wilfred Laurier University, Waterloo, Ontario, and has been a member of the Canadian Institute of Chartered Accountants as well as the Financial Executive Institute and the WPO Organization. Prior to his current position, he worked within the BCE group of companies where he was Executive VP and CFO of BCE Inc. and then Chief Corporate Officer of Bell Canada. Mr. McGoey was also Chairman of the Board of Directors of Bimcor Inc., Chairman and President of BCE Ventures, Chairman of Bell Sigma, a director of Bell Canada International, MediaLinx Inc. and a number of other Bell companies. Before joining the BCE group, Mr. McGoey held the positions of President and a director of Oxford Enterprises as well as Executive VP and CFO of Canada Development Company (CDC), and was a partner in the accounting firm Peat Marwick Thorne.

Louis Mitrovich is a Professional Engineer in Ontario, graduating from Queen’s University in Electrical Engineering in 1963. Mr. Mitrovich has worked in the telecommunications field for approximately 40 years, holding positions with large companies such as GTE, Rockwell and Alcatel Canada, in both Canada and the United States. He has considerable

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experience in engineering, marketing and executive corporate management, including as Vice-President and General Manager of Rockwell Telecom, and Country Senior Officer for Alcatel Canada, in addition to serving on its Board of Directors.

Douglas Reeson, M.B.A., holds undergraduate and graduate degrees from York University, Toronto, Ontario. Mr. Reeson is a business executive with experience as an officer and director of a number of junior public companies. Prior to 1991, he held a number of positions in the investment industry, including Executive Director of Listings for the Toronto Stock Exchange, and Vice-President and director of Davidson Partners, Midland Doherty and Yorkton Securities. Earlier in his career, Mr. Reeson was an investment analyst at Burns Fry.

Pre-Approval Policies and Procedure

The Audit and Corporate Governance Committee pre-approves all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

PART 5 – OTHER INFORMATION

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, “informed person” means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

To the best of the Corporation's knowledge, no informed person of the Corporation, and no associate or affiliate of the foregoing persons, at any time since the beginning of its last completed financial year, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of its last completed financial year that has materially affected the Corporation or any of its subsidiaries, or in any proposed transaction that could materially affect the Corporation or any of its subsidiaries, or in any matter to be acted upon at this Meeting, except as may be disclosed in this Circular.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Liability insurance coverage in the amount of \$4 million in aggregate was purchased by the Corporation for the protection of all directors and officers of the Corporation and its subsidiaries against liability incurred by them in their capacities as directors or officers of the Corporation and its subsidiaries. Such coverage applies on the same basis for all directors and officers of the Corporation as a group. The premium paid by the Corporation for the one-year policy period ending April 15, 2011 was \$20,000 for the directors and officers as a group.

In any claim in which the Corporation is not permitted to reimburse the insured persons, either by law or otherwise, there is no deductible. In any claim in which the Corporation is permitted to reimburse the insured persons, the deductible for the Corporation is \$50,000.

In addition, the reporting period under the directors' and officers' liability insurance policy with the Corporation's previous insurer, which expired on April 15, 2010, was extended for one year, to April 15, 2011. The Corporation paid \$43,800 for the extension of the reporting period.

INDEMNIFICATION AGREEMENTS

As contemplated by the *Business Corporations Act* (Ontario) and Article Seven of By-Law No. 1 of the Corporation, in January 2007 the Corporation entered into indemnification agreements with each of five persons then serving as directors and executive officers of the Corporation; the Corporation also entered into indemnification agreements with one consultant and two service companies. Pursuant to these indemnification agreements (collectively, the “**Indemnification Agreements**”),

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the Corporation, among other things, will indemnify the director, executive officer, consultant or service company, as the case may be (the “**Indemnified Party**”), if the Indemnified Party is or was a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, by reason of: (i) the fact that the Indemnified Party is or was a director, officer, employee, consultant or agent of the Corporation or any subsidiary of the Corporation; (ii) any action or inaction on the part of the Indemnified Party while an officer, director, employee, consultant or agent of the Corporation; or (iii) the fact that the Indemnified Party is or was serving at the request of the Corporation as a director, officer, employee, consultant or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including legal fees), judgments, fines and amounts paid in settlement (if such settlement is approved in advance by the Corporation) actually and reasonably incurred by the Indemnified Party in connection with such action or proceeding if the Indemnified Party acted honestly and in good faith and with a view to the best interests of the Corporation, and, with respect to any criminal or administrative action or proceeding that is enforced by monetary penalty, if the Indemnified Party had reasonable grounds for believing his conduct was lawful.

The Indemnification Agreements require as a condition precedent to the right to be indemnified thereunder that the Indemnified Party give the Corporation notice in writing as soon as practicable of any claim in writing made against the Indemnified Party for which indemnification will or could be sought under the applicable Indemnification Agreement. The Indemnification Agreements further require that the Indemnified Party give the Corporation such information and cooperation as the Corporation may reasonably require and as shall be within the power of such Indemnified Party. The Indemnification Agreements also provide that the Corporation will advance all expenses incurred by the Indemnified Party in connection with the investigation, defence, settlement or appeal of any civil or criminal action or proceeding referred to above. Such advances will be paid by the Corporation within ten days following delivery of a written request therefor by the Indemnified Party to the Corporation, accompanied by written evidence of the expense claimed.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As at May 30, 2010, none of the executive officers, directors, employees or former executive officers, directors or employees of the Corporation or a subsidiary thereof, and no person who is a nominee for election as director of the Corporation, and no associate of any such executive officer, director or proposed nominee was indebted to the Corporation or a subsidiary of the Corporation in connection with a purchase of securities or for any other matter.

During the fiscal year ended August 31, 2009, none of the foregoing persons was indebted to the Corporation or any subsidiary of the Corporation nor has any such person been indebted at any time since the beginning of the fiscal year ended August 31, 2009 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation.

OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying proxy form confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

ADDITIONAL INFORMATION

Financial information about the Corporation is contained in its audited consolidated financial statements and Management’s Discussion and Analysis for the fiscal year ended August 31, 2009, and additional information about the Corporation is available on SEDAR at www.sedar.com.

If you would like to obtain, at no cost to you, a copy of any of the following documents:

- (a) the audited consolidated financial statements of the Corporation for the fiscal year ended August 31, 2009 together with the accompanying report of the auditors thereon and any interim unaudited consolidated financial statements of the Corporation for periods subsequent to August 31, 2009 and Management’s Discussion and Analysis with respect thereto; and
- (b) this Circular,

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please send your request to:

Unique Broadband Systems, Inc.
8250 Lawson Road
Milton, Ontario L9T 5C6
telephone: (905) 660-8100
telecopier: (905) 669-0785
e-mail: irinfo@uniquebroadband.com

AUTHORIZATION

The mailing of this Circular has been approved by the Board of Directors of the Corporation. The contents of this Circular has been approved by the Board of Directors of the Corporation, with the exception of the section entitled "Rationale to Vote Against the Requisitioning Shareholder Proposal - Management Services Agreement with Jolian Investments Ltd.", which was approved exclusively by the two independent directors of the Corporation, without any involvement on the part of Mr. Gerald T. McGoey, in that Jolian is controlled by Mr. McGoey.



Gerald T. McGoey
Chairman and Chief Executive Officer

DATED at Toronto, Ontario
May 30, 2010

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**SCHEDULE A
GLOSSARY OF TERMS**

The following is a glossary of certain of the defined terms used in this Circular.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Circular**” means this Management Information Circular of the Corporation dated May 30, 2010 prepared in connection with the Meeting.

“**Class A Shares**” means the Class A Non-Voting Shares in the share capital of the Corporation.

“**Common Shares**” means the common shares in the share capital of the Corporation.

“**Corporation**” means Unique Broadband Systems, Inc.

“**DOL**” means DOL Technologies Inc.

“**February 2010 Annual Meeting**” means the annual and special meeting of shareholders of the Corporation held on February 24, 2010.

“**Gowlings**” means Gowling Lafleur Henderson LLP.

“**Indemnification Agreements**” means, collectively, the indemnification agreements entered into in January 2007 between the Corporation, on the one hand, and each of five persons then serving as directors and executive officers of the Corporation, one consultant and two service companies, on the other hand.

“**Inukshuk**” means Inukshuk Wireless Partnership.

“**Jolian**” means Jolian Investments Ltd.

“**Jolian MSA**” means the Management Services Agreement dated May 3, 2006 between the Corporation and Jolian.

“**Look**” means Look Communications Inc., a corporation of which UBS is the principal shareholder.

“**Look Debentures**” means the 7% secured convertible debentures issued by Look.

“**Look MSA**” means the Management Services Agreement dated May 19, 2004 between UBS and Look.

“**Meeting**” means the special meeting of shareholders of the Corporation called for July 5, 2010.

“**Non-Registered Shareholders**” means beneficial shareholders of the Corporation whose Common Shares are registered either in the name of an intermediary that the beneficial shareholder deals with in respect of its Common Shares or in the name of a clearing agency (such as CDS or similar entities) of which such intermediary is a participant.

“**Record Date**” means May 19, 2010.

“**Requisitioning Shareholder**” means the unidentified beneficial shareholder or shareholders of the Corporation who requisitioned the Meeting.

“**UBS**” means Unique Broadband Systems, Inc.

“**2009 POA**” means the Plan of Arrangement of Look effected in 2009.

“**2010 POA**” means the Plan of Arrangement of Look proposed in April 2010 and subsequently terminated.

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SCHEDULE B
CHARTER OF THE AUDIT AND CORPORATE GOVERNANCE COMMITTEE

1. General

The Board of Directors (the “**Board**”) of Unique Broadband Systems, Inc. (the “**Corporation**”) has delegated the responsibilities, authorities and duties described below to the Audit and Corporate Governance Committee of the Board (the “**Audit Committee**”). For the purpose of these terms of reference, the term “Corporation” shall include the Corporation and its subsidiaries except to the extent that a subsidiary has its own audit committee that complies with the requirements of any applicable Canadian securities laws, rules and guidelines and any applicable stock exchange requirements or guidelines.

The Audit Committee will provide independent review and oversight of the Corporation’s financial reporting process, the system of internal control and management of financial risks, and the audit process, including the selection, oversight and compensation of the Corporation’s external auditors. In so doing, the Audit Committee will comply with all applicable Canadian securities laws, rules and guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

2. Members

The Audit Committee shall be composed of a minimum of three members. Members of the Audit Committee shall be appointed by the Board. In this regard, the Board, at its first meeting held after an annual meeting of shareholders, shall appoint the members of the Audit Committee to hold office until the next annual meeting of shareholders. The Board may at any time appoint additional members of the Audit Committee, remove or replace any member of the Audit Committee, or fill any vacancy on the Audit Committee. Any member of the Audit Committee ceasing to be a director shall cease to be a member of the Audit Committee. The Board shall fill a vacancy if the membership of the Audit Committee is less than three directors as a result of such vacancy. The Chair of the Audit Committee may be designated by the Board or, if it does not do so, the members of the Audit Committee may elect a Chair by vote of a majority of the full Audit Committee membership.

A majority of the members of the Audit Committee shall not be employees, “Control Persons” or officers of the Corporation or any of its “Associates” or “Affiliates”, as such terms are defined in the TSX Venture Exchange Corporate Finance Manual. In addition, a majority of the members of the Audit Committee shall be “independent” within the meaning of Multilateral Instrument 52-110 *Audit Committees*.

3. Meetings

The Audit Committee shall meet at least quarterly at such times and locations as the Chair of the Audit Committee shall determine, provided that meetings shall be scheduled so as to permit the timely review of the Corporation’s quarterly and annual financial statements and the related management’s discussion and analysis and earnings press releases. The external auditor or any two members of the Audit Committee may also request a meeting of the Audit Committee. The Chair of the Audit Committee shall hold *in camera* sessions of the Audit Committee, without management present, at every meeting. The Audit Committee may invite such other persons to its meetings as it deems appropriate in order to carry out its duties.

The Audit Committee shall submit the minutes of all meetings to the Board, and when so requested, shall review the matters discussed at an Audit Committee meeting with the Board.

A quorum for any meeting shall be two members of the Audit Committee.

The Audit Committee shall have the authority to require the attendance of the Corporation’s officers at meetings of the Audit Committee, as it deems appropriate or necessary.

4. Committee Charter

The Audit Committee shall review and reassess the adequacy of this charter at least annually or otherwise, as it deems appropriate, and propose recommended changes to the Board, if necessary.

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For questions or assistance, please call Georgeson, 1-866-676-3029

5. Duties of the Audit Committee

The Audit Committee shall have the following duties:

(a) Oversight of Financial Information and Reporting

- (i) The Audit Committee shall review, with management and the external auditor, and recommend to the Board for approval, the annual financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (ii) The Audit Committee shall review, with management and the external auditor, if deemed necessary, and recommend to the Board for approval, the interim financial statements of the Corporation and related financial reporting, including management's discussion and analysis and earnings press releases.
- (iii) The Audit Committee shall review, with management and the external auditor, and recommend to the Board for approval, any financial statements of the Corporation which have not previously been approved by the Board and which are to be included in a prospectus or other public disclosure document of the Corporation.
- (iv) The Audit Committee shall consider and be satisfied that adequate policies and procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements (other than disclosure referred to above), and periodically assess the adequacy of such procedures.

(b) Relationship with External Auditors

- (i) The Audit Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (ii) The external auditor shall report directly to the Audit Committee and the Audit Committee should have a clear understanding with the external auditor that such external auditor must maintain an open and transparent relationship with the Audit Committee, and that the ultimate accountability of the external auditor is to the shareholders of the Corporation.
- (iii) The Audit Committee shall recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or test services for the Corporation, having regard to the qualifications and independence of any candidates, and shall recommend to the Board the compensation of the external auditor. The external auditor is required to be an auditor registered with the Canadian Public Accountability Board ("CPAB") that is in compliance with any restrictions or sanctions imposed by the CPAB.

(c) Pre-Approval of Audit and Non-Audit Services

The Audit Committee shall pre-approve all audit and non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.

(d) Complaints Procedure

The Audit Committee shall establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(e) Hiring Policies

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

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(f) Reporting

The Audit Committee shall report regularly to the Board regarding any issues that arise with respect to the quality or integrity of the Corporation's financial statements, the Corporation's compliance with legal or regulatory requirements, the performance and independence of the external auditor, or the internal audit function.

6. Authority to Engage Independent Counsel and Advisors

The Audit Committee has the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties, to set and pay the compensation for any advisors employed by the Audit Committee, and to communicate directly with the internal and external auditors.

The Corporation shall provide appropriate funding, as determined by the Audit Committee, in its capacity as a committee of the Board, for: (a) payment of compensation to the external auditors employed by the issuer for the purpose of rendering or issuing an audit report; (b) payment of compensation to any advisers employed by the Audit Committee; and (c) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.

The Audit Committee shall have the authority, within the scope of its responsibilities, to seek any information it requires from any employee of the Corporation and from external parties.



THE PROXY TO VOTE IS BLUE



Vote **AGAINST** the removal of the Board of Directors



Vote **FOR** the election of Gerald T. McGoey, Louis Mitrovich and Douglas Reeson, the incumbent directors of the Corporation, as directors of the Corporation

To ensure your vote is counted, completed **BLUE** proxy forms must be received by

9:00 a.m. (Toronto time) on Wednesday, June 30, 2010.

HOW TO VOTE YOUR BLUE PROXY FORM OR BLUE VOTING INSTRUCTION FORM



BENEFICIAL SHAREHOLDERS

(UBS shareholders who hold their securities through a broker, bank or other nominee)

Canadian Beneficial Shareholders

A. Internet	www.proxyvote.com
B. Fax	(905) 507-7793 or (514) 281-8911
C. Telephone	1-800-474-7493
D. Mail	Return your completed Voting Instruction Form in the enclosed envelope.

United States Beneficial Shareholders

A. Internet	www.proxyvote.com
B. Telephone	1-800-454-8683
C. Mail	Return your completed Voting Instruction Form in the enclosed envelope.

*Beneficial shareholders should carefully follow the instructions on their Voting Instruction Form as there may be a requirement for votes to be submitted at least 24 hours in advance of the proxy cut-off time.

REGISTERED SHAREHOLDERS

(UBS shareholders who have a physical share certificate registered in their name)

A. Fax	(416) 595-9593
B. Internet	www.voteproxyonline.com
C. Mail	200 University Avenue Suite 400 Toronto, Ontario M5H 4H1 in the enclosed pre-addressed envelope

YOUR VOTE IS IMPORTANT. VOTE ONLY THE BLUE PROXY.

For questions or assistance, please call Georgeson, 1-866-676-3029

QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this document or require assistance in completing your **BLUE** proxy form or **BLUE** voting instruction form, please contact our proxy solicitation agent at:



North American Toll Free Number: 1-866-676-3029

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For questions or assistance, please call Georgeson, 1-866-676-3029