

**REITMANS (CANADA) LIMITED**  
**MAJORITY VOTING POLICY**

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

Forms of proxy for the vote at a shareholders’ meeting of the Corporation where directors are to be elected will enable the shareholder to vote in favour of, or to withhold from voting, separately for each nominee. At the meeting, the Chair will call for a vote by ballot and the scrutineers will record with respect to each nominee the number of shares in his or her favour and the number of shares withheld from voting. Prior to receiving the scrutineer’s report on the ballot, the Chair may announce the vote result based on the number of proxies received by the Corporation. At the conclusion of the meeting, the final scrutineer’s report on the ballot must be filed on SEDAR.

If, with respect to any particular nominee, the number of shares withheld exceeds the number of shares voted in favour of the nominee (a “**Majority Withheld Vote**”), then, for purposes of this policy, the nominee shall be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law.

A person who has received a Majority Withheld Vote is expected to immediately submit to the Board his or her resignation, to take effect upon acceptance by the Board. The Board will refer the matter to the Corporate Governance Committee of the Corporation for its recommendation as to whether to accept such offer of resignation. Absent exceptional circumstances, the resignation will be accepted and will be effective when accepted by the Board. The Board will have 90 days from the meeting to make and disclose by news release its decision, a copy of which will be provided to the Toronto Stock Exchange. If the Board determines not to accept a resignation, the news release will fully state the reasons for that decision. The person who tenders a resignation pursuant to this policy will not participate in any meeting of the Board or of the Corporate Governance Committee at which the resignation is considered.

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

This policy does not apply in any case where the election is contested -- i.e., where proxy material is circulated in support of one or more nominees who are not part of the list of nominees supported by the Board.