



## PERK LABS INC.

### Corporate Governance and Nominating Committee Charter

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This charter (the “**Charter**”) sets forth the purpose, composition, responsibilities and authority of the Corporate Governance and Nominating Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Perk Labs Inc. (the “**Company**”).

#### 1. Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- (a) developing corporate governance guidelines, principles and policies for the Company;
- (b) identifying individuals qualified to be nominated as members of the Board;
- (c) structure and composition of Board committees;
- (d) evaluating the performance and effectiveness of the Board;
- (e) Board succession and development; and
- (f) developing a director education program.

#### 2. Composition and Membership

- (a) The Board will appoint the members (“**Members**”) of the Committee after the annual general meeting of shareholders of the Company. The Members will be appointed to hold office until the next annual general meeting of shareholders of the Company or until their successors are appointed. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will cease to be a Member upon ceasing to be a director.
- (b) The Committee shall be composed of not less than three (3) directors of the Company, all of whom are “independent” as defined by applicable Canadian and US laws and regulations as well as the rules of relevant stock exchanges, all as set out in the Company’s Director Independence Policy.
- (c) All Members will have familiarity with corporate governance matters.
- (d) The Board shall designate one of the Members as chair of the Committee (the “**Chair**”). The Corporate Secretary of the Company, or the individual designated as fulfilling the function of Secretary of the Company, will be the secretary of all meetings and will maintain minutes of all meetings and deliberations of the Committee. In the absence of the Corporate Secretary at any meeting, the Committee will appoint another person who may, but need not, be a Member to be the secretary of that meeting.

### **3. Meetings and Proceedings**

- (a) Meetings of the Committee will be held at such times and places as the Chair may determine, but in any event not less than two (2) times per year. Forty-eight (48) hours advance notice of each meeting will be given to each Member verbally, by telephone or email, unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings either in person or by conference call. Any Member may call a meeting of the Committee.
- (b) A majority of Members will constitute a quorum for a meeting of the Committee. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Powers of the Committee may also be exercised by a written resolution signed by all Members.
- (c) In advance of every regular meeting of the Committee, the Chair, with the assistance of the Corporate Secretary, will prepare and distribute to the Members and others as deemed appropriate by the Chair of the Committee, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may require officers and employees of the Company to produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.
- (d) The Chair, if present, will act as the chairman of meetings of the Committee. If the Chair is not present, then the Members present may select one their number to act as chairman of the meeting. The Chair shall (i) provide leadership to the Committee to enhance the Committee's effectiveness and ensure adherence to this Charter; (ii) conduct meetings in a manner that promotes meaningful discussion; (iii) ensure that meetings are appropriate in terms of frequency, length and content; and (iv) assist management with the preparation of an agenda and ensure that meeting materials are prepared and disseminated in a timely manner.
- (e) The Committee will meet in camera without management at each meeting of the Committee.
- (f) The Chair, or his delegate, will report to the Board at each Board meeting on the Committee's activities since the last Board meeting.
- (g) Minutes of meetings shall be distributed to the Members after preliminary approval thereof by the Chair of the Committee. After approval by the Members, minutes will be submitted to the Board for review.

### **4. Responsibilities**

#### **4.1 Responsibilities with respect to Corporate Governance:**

The Committee shall:

- (a) identify corporate governance standards and practices applicable to the Company and monitor new developments in corporate governance, and make recommendations to the Board periodically;
- (b) annually review the Company's corporate governance policies and practices, and monitor the ongoing application of the Company's Corporate Governance Principles (attached as Appendix "A");
- (c) periodically review and make recommendations to the Board on the key corporate governance policies and practices of the Company including (but not limited to) the Committee Charters, Code of Business Conduct and Ethics, Disclosure Policy, Minimum Share Ownership Policy, and in the Committee's discretion, recommend any changes to the Board for consideration;

- (d) in conjunction with the Chair, ensure that all corporate governance documents referred to above, are publicly disclosed on the Company's website and available to any shareholder on request;
- (e) assist the Board in reviewing and approving public disclosure with respect to corporate governance matters; and
- (f) ensure that a regular program and/or policy, is put in place with respect to ongoing director education.

4.2 Responsibilities with respect to the Composition of the Board and Board Committees and Appointment of CEO

The Committee shall:

- (a) annually and more frequently if appropriate, assess the *independence*, as defined by applicable Canadian and US laws and regulations as well as the rules of relevant stock exchanges, of the individual directors of the Company;
- (b) annually and more frequently if appropriate, assess the effectiveness of the Board as a whole and each Board committee, and assess whether there is a lack of competencies and skills on the Board or with respect to individual directors of the Company which results in the Board not being effective, and report the results of that assessment to the Board;
- (c) oversee the process of identifying and recruiting new candidates for election or appointment as directors of the Company, including assessing the competencies and skills of identified individuals and reporting the results of that assessment to the Board;
- (d) annually or more frequently if appropriate, recommend to the Board candidates for election or appointment as directors of the Company, taking into account the Board's conclusions with respect to the appropriate size and composition of the Board and Board committees, the competencies and skills required to enable the Board and Board committees to properly discharge their responsibilities, and the competencies and skills of the current Board;
- (e) annually and more frequently if appropriate, assess the *independence*, as defined by applicable Canadian and US laws and regulations as well as the rules of relevant stock exchanges, all as set out in the Company's Director Independence Policy, of the individual directors of the Company and report the results of that assessment to the Board;
- (f) when required, oversee the process of identifying and recruiting new candidates for appointment as CEO, including assessing the competencies and skills of identified individuals and reporting the results of that assessment to the Board; and
- (g) when required, expeditiously consider any resignation tendered by a director pursuant to the Majority Voting Policy (as set out in the Corporate Governance Principles of the Company attached as Appendix "A" to this Charter) in accordance with the provisions of such policy and make a recommendation to the Board whether to accept, delay accepting or reject such resignation.

4.3 Responsibilities with respect to the Operation of the Board and Board Committees

The Committee shall:

- (a) periodically review the operation of the Board and Board committees, including the frequency and location of meetings, the agenda for and reports and other information provided at meetings, and the conduct of meetings, and make recommendations to the Board;

- (b) annually and more frequently if appropriate, assess the effectiveness of the relationship between the Board and the Chief Executive Officer and other senior officers of the Company, and report the results of that assessment to the Board;
  - (c) periodically review the mandates and authority of the Chief Executive Officer, the Chief Financial Officer, the Chair of the Board and make recommendations to the Board; and
  - (d) establish and approve an orientation program for new directors and a continuing education program for all directors of the Company or provide the directors with sufficient information to familiarize them with the operations of the Company.
- 4.4 Succession Planning - Annually prepare and review a succession plan for recommendation to the Board for members of the Board and Chairman of the Board.
- 4.5 Investigations - Direct and supervise the investigation into any matter brought to its attention within the scope of its duties.
- 4.6 Other Duties - Perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable regulatory authorities or legislation.

**5. Authority**

The Committee will be granted unrestricted access to all information regarding the Company and all directors, officers and employees will be directed to cooperate as requested by members of the Committee.

The Committee has authority to retain and terminate, and to set and pay the compensation of, independent legal counsel, compensation consultants and other advisers, if it considers this appropriate to assist the Committee in fulfilling its duties.

The Committee is authorized to invite officers and employees of the Company, and outsiders with relevant experience and expertise, to attend or participate in its meetings and proceedings, if it considers this appropriate.

The Company shall pay directly or reimburse the Committee for the expenses incurred by the Committee in carrying out its responsibilities.

**6. Self-Assessment; Charter Review**

The Committee and the Board shall annually assess the effectiveness of the Committee with a view to ensuring that the performance of the Committee accords with best practices and applicable law.

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

Version Control

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Adopted:	Adopted by the Board of Directors of the Company effective [DATE].
Ownership:	Board of Directors
Review schedule:	Annually
Last Reviewed:	[DATE]

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## Appendix "A"

### Perk Labs Inc. Corporate Governance Principles

1. The majority of the Board will consist of independent directors.
2. All members of the Committee, the Audit Committee and the Compensation Committee will be independent directors.
3. All directors will act in the best interest of the Company and will put the interests of the Company ahead of any single stakeholder, shareholder or group or their own interests.
4. The responsibility of the directors will be to supervise the management of the business and not to manage the business day to day.
5. The Board will ensure that there is a long-term strategic plan in place for the Company which is reviewed annually with the Board.
6. All major fields of business risk will be clearly defined and reviewed regularly by the Board.
7. Objectives will be established annually for the Chief Executive Officer and other senior officers, and performance against these objectives will be regularly reviewed.
8. The Board will ensure that the business is managed with integrity and ethical business standards.
9. Contingency plans for orderly management succession will be established and maintained.
10. The Company will communicate openly and effectively with its shareholders, other stakeholders and the public generally, and maintain strict compliance with all applicable securities laws regarding disclosure and trading.
11. The Board will ensure that there are effective control and information systems in place for monitoring the discharge of its responsibilities.
12. A process for regular assessment of the effectiveness of the Board and its committees and the responsibilities and contributions of the directors will be maintained.
13. Election of Directors and Majority Voting Policy: Each director should be elected by the vote of a majority of the shares, represented in person or by proxy, at any meeting for the election of directors. Forms of proxy for the election of directors will permit a shareholder to vote in favour of, or to withhold from voting, separately for each director nominee. The Chair of the Board will ensure that the number of shares voted in favour or withheld from voting for each director nominee is recorded and promptly made public after the meeting. If any nominee for director receives, from the shares voted at the meeting in person or by proxy, a greater number of shares withheld than shares voted in favour of his or her election, the director must promptly tender his or her resignation to the Chair of the Board, to take effect on acceptance by the Board. The Committee will expeditiously consider the director's offer to resign and make a recommendation to the Board whether to accept it. The Board will promptly accept the resignation unless the Committee determines that there are extraordinary circumstances relating to the composition of the Board or the voting results that should delay the acceptance of the resignation or justify rejecting it. Within 90 days of the shareholders' meeting, the Board will make a final decision and announce such decision, including any reasons for not accepting a resignation, by way of press release.

Any director who tenders his or her resignation will not participate in the deliberations of the Committee or the Board. In the event any director fails to tender his or her resignation in accordance with this policy, the Board will not re-nominate the director.

Subject to any corporate law restrictions, the Board is not limited in any action it may take if a director's resignation is accepted, including (1) leaving a vacancy in the Board unfilled until the next annual general meeting, (2) filling the vacancy by appointing a new director whom the Board considers to merit the confidence of the shareholders, or (3) calling a special meeting of shareholders to consider new board nominee(s) to fill the vacant position(s). Notwithstanding the above, this policy does not apply to a contested election of directors, that is, where the number of nominees exceeds the number of directors to be elected or an election which involves a proxy battle in which proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board.