

## GOVERNANCE AGREEMENT FOR IITI

The Corporation and its management has also agreed to enter into a Governance Agreement which will be effective upon Closing of the Offering. The Governance Agreement creates rules of corporate governance with a view to addressing typical business concerns of an investor in the Units. The interest of the investors will be represented by one arm's length director. No action will be authorized by the Corporation without the approval of this arm's length director on matters beyond those described in Corporate Governance.

Board of Directors – initially set at seven directors, with six members from the current Board, and the remaining one director, to be the Preferred Designee so long as Preferred Shares are outstanding, with Ralph Askar to serve as Executive Chairman. In the event of a tie in votes, the Executive Chairman has a second casting vote. Nomination and selection of a director can only take place with a 2/3 majority of directors in favour. Removal of a director requires cause. The Board will influence the business of all operating units to be in line with that of the Corporation.

Corporate Decisions - For major corporate decisions, Board approval requires 2/3 majority, provided that the two addition directors are part of that 2/3 majority ("**Board Approval**"). "A nonexclusive list of matters requiring Board Approval:" are

The transfer, issue, redemption, cancellation of any Shares, rights, warrants, options or other securities of the Corporation;

Amendments to the by-laws or articles of the Corporation or the passing of new by-laws of the Corporation;

A change in the composition or number of directors or officers;

The sale, transfer, assignment, pledge or creation of a security interest in, or option on any of the Shares or any other securities of the Corporation;

The creation of a security interest in the assets of the Corporation or the entering into of any guarantees or indemnities by the Corporation;

Entering into or amending any employment agreements or the termination of employees;

The making of any single capital expenditure in an amount in excess of \$75,000;

The taking of any action to amalgamate, sell all the assets, reorganize, wind-up, make an assignment for the benefit of creditors, take proceedings relating to bankruptcy, insolvency or reorganization of debts, dissolve or terminate the existence of the Corporation;

Calls for contributions of additional capital;

The entering into or amendment of any Shareholder loans, the provision of financial assistance to any Shareholders / persons, or the lending or borrowing of monies;

Material changes to the undertakings, business, location or operations of the Corporation;

The entering into of any partnership, joint venture, arrangements for the sharing of profits, etc.;

The entering into of any material contracts;

Approvals of budgets or forecasts in respect of the Corporation (five-year Business Plan);

Changes to the Corporation's fiscal year end, accountants, auditors, lawyers, bankers;

The declaration of dividends, the return of any capital or the repayment of any indebtedness of the Corporation to any Shareholder;

The payment of any remuneration, including any advances, salaries, consulting fees, management fees, bonuses and/or perquisites to any senior executives whose aggregate annual compensation exceeds \$75,000.00;

Settling of any judgments or legal claims in excess of \$50,000; and

Material acquisitions of any assets, and entry into leases, or agreements in excess of \$ 50,000.00 for, real or personal property.

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