

**REDLINE COMMUNICATIONS GROUP INC.  
BOARD OF DIRECTORS CHARTER**

**Section 1. PURPOSE**

- 1.1 The purpose of this Board of Directors Charter (the “**Charter**”) is to provide guidance to the members of the Board of Directors (the “**Board**”) of Redline Communications Group Inc. (the “**Company**”) as to their duties and responsibilities. The Charter is subject to the provisions of the Company’s articles of incorporation and by-laws and to applicable laws. The Charter is not intended to limit, enlarge or change in any way the responsibilities of the Board as determined by such articles, by-laws and applicable laws.

**Section 2. ROLE**

- 2.1 The Board is responsible for the stewardship and oversight of the Management of the Company and its global business. It has the statutory authority and obligation to protect and enhance the assets of the Company in the interest of all shareholders.
- 2.2 Although Directors may be elected by the Shareholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Company and its shareholders must be paramount at all times.
- 2.3 The involvement and commitment of directors is evidenced by regular Board and committee meeting attendance, preparation, and active participation in setting goals and requiring performance in the interest of shareholders.

**Section 3. COMPOSITION**

- 3.1 The Board shall be comprised of that number of directors as shall be determined from time to time by the Board, in accordance with the Company’s articles, by-laws and applicable laws.

**Section 4. MEETINGS**

- 4.1 The time at which and place where the meetings of the Board shall be held and the calling of the meetings and procedure in all things at such meetings shall be determined by the Board in accordance with the Company’s articles, by-laws and applicable laws.

**Section 5. CHAIR**

- 5.1 The Chair of the Board shall have the duties and responsibilities set forth in the “Chair of the Board of Directors, Executive Committee and Chief Executive Officer Position Descriptions”.

## **Section 6. RESPONSIBILITIES**

- 6.1 The Board operates by delegating certain of its responsibilities to management and reserving certain powers to itself. Its principal duties fall into the six categories set forth and further enumerated below in this Section:
- (a) Overseeing and approving on an ongoing basis the Company's business strategy and strategic planning process.
  - (b) Selection of the management.
  - (c) Setting goals and standards for management, monitoring their performance, and taking corrective action where necessary.
  - (d) Approving policies, procedures and systems for implementing strategy, for managing risk and for ensuring the integrity of the Company's internal control and management information systems.
  - (e) Adopting a communications policy and reporting to shareholders on the performance of the business.
  - (f) Approval and completion of routine legal requirements.

### *Strategy Determination*

- 6.2 The Board has the responsibility to participate, as a whole and through its committees, in identifying the objectives and goals of the business as well as the associated risks, and the strategy by which it proposes to reach those goals and mitigate such risks. The Board shall adopt a strategic planning process and shall approve, on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of the business.
- 6.3 The Board has the responsibility to ensure congruence between shareholder expectations, company plans, and management performance.

### *Selection of the Management*

- 6.4 The Board retains the responsibility for managing its own affairs, including planning its composition, selecting its chairman, nominating candidates for election to the Board, appointing committees, and determining director compensation.
- 6.5 The Board has the responsibility for the appointment and replacement of a President & Chief Executive Officer ("**CEO**") of the Company, for monitoring CEO performance, determining CEO compensation, and providing advice and counsel in the execution of the CEO's duties.
- 6.6 The Board has the responsibility for approving the appointment and remuneration of all Executive Officers, acting upon the advice and recommendations of the Remuneration Committee.
- 6.7 The Board has the responsibility for, to the extent feasible, satisfying itself as to the integrity of the CEO and the other executive officers and that the CEO and other Executive Officers create a culture of integrity throughout the Company.

- 6.8 The Board has the responsibility for ensuring that adequate provision has been made for management succession (including appointing, training and monitoring senior management).

*Monitoring and Acting*

- 6.9 The Board has the responsibility for monitoring the Company's progress towards its goals, and revising and altering its direction in light of changing circumstances.
- 6.10 The Board has the responsibility for taking action when performance falls short of its goals or when other special circumstances (for example mergers and acquisitions or changes in control) warrant it.

*Policies and Procedures*

- 6.11 The Board has the responsibility for developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Company.
- 6.12 The Board has the responsibility for approving and monitoring compliance with all significant policies, procedures and internal control and management systems by which the Company is operated.
- 6.13 The Board has responsibility for ensuring that the Company operates at all times within applicable laws and regulations, and to high ethical and moral standards.

*Reporting to Shareholders*

- 6.14 The Board has the responsibility for adopting a communications policy for the Company, including adopting measures for receiving feedback from stakeholders.
- 6.15 The Board has the responsibility for ensuring that the financial performance of the Company is reported to shareholders on a timely, regular and non-selective basis.
- 6.16 The Board has the responsibility for ensuring that the financial results are reported fairly, and in accordance with generally accepted accounting principles.
- 6.17 The Board has the responsibility for timely and non-selective reporting of any other developments that have a significant and material impact on the value of the shareholders' assets.
- 6.18 The Board has the responsibility for reporting annually to shareholders on its stewardship for the preceding year.

*Legal Requirements*

- 6.19 The Board has the responsibility for approving any payment of dividends to shareholders.
- 6.20 The Board is responsible for ensuring that legal requirements, documents, and records have been properly prepared, approved and maintained.

*Other*

- 6.21 On an annual basis, the Charter shall be reviewed and assessed, and any proposed changes shall be submitted to the Board for consideration.