

ENGHOUSE SYSTEMS LIMITED

CORPORATE GOVERNANCE COMMITTEE CHARTER

1. PURPOSE

The Board of Directors (the "Board") of Enghouse Systems Limited (the "Corporation") has established a Corporate Governance Committee (the "Committee") for the purpose of providing the Board with advice and recommendations relating to corporate governance in general, including without limitation:

- all matters relating to the stewardship role of the Board in respect of the management of the Corporation;
- Board size and composition including the identification of new nominees to the Board and leading the candidate selection process, and orientation of new members;
- Board compensation; and
- such procedures as may be necessary to allow the Board to function independently of Management.

2. COMPOSITION

The Committee shall be composed of at least three directors, a majority of whom will be unrelated directors (i.e. defined as a director who is independent of management of the Corporation and is free from any interest and any business or relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view of the best interests of the Corporation, other than interests and relationships arising from shareholdings). Committee members shall be appointed by the Board and once appointed shall exercise their duties until the next annual general meeting of shareholders or until their successors have been chosen and appointed by the Board.

Any member may be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as the member ceases to be a Director. The Board will fill vacancies in the Committee by appointment from among members of the Board. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members will exercise all its powers.

3. RESPONSIBILITIES AND DUTIES

In addition to such other duties as may be assigned to the Committee from time to time by the Board, the Committee will have the following duties:

- (a) **Stewardship Role.** Make recommendations to the Board, on an ongoing basis, concerning corporate governance in general and regarding the Board's stewardship role in overseeing the management of the Corporation; including the roles and responsibilities of directors and the recommendation of appropriate policies and procedures for directors to carry out their duties and in compliance with all legal requirements. In particular, the Committee will monitor compliance with any rules, regulations or guidelines promulgated by regulatory authorities relating to corporate governance.
- (b) **Oversight.** Satisfy itself that appropriate processes are established by the Board to fulfill its responsibility for:
 - oversight of strategic direction and development and review of ongoing results of operations;
 - oversight of the Corporation's investor relations and public relations activities and procedures for the effective monitoring of the shareholder base, receipt of shareholder feedback and response to shareholder concerns; and
 - reviewing with management controls and procedures to ensure timely dissemination of material information as required by law.

- (c) **Board Composition.** Consider and recommend nominees for election to the Board and implement an effective Board succession plan. In that regard:
- consider the appropriate size and composition of the Board, selection criteria for proposed new Directors, Board requirements and the performance and contributions of Board members;
 - identify, interview and recommend candidates to the Board for approval;
 - direct that a majority of the Directors is independent according to the rules of any regulatory authority having jurisdiction over the Corporation;
 - retain and direct any search firm to be used to identify Director candidates (including approval of associated fees and other terms); and
 - satisfy itself that adequate orientation regarding the operation of the Corporation and its Board is provided to new and current members.
- (d) **Committee Structure and Membership.** Review the mandates of the Board's committees and any recommendations received from the committees, and recommend appropriate changes. Recommend allocation of Directors of the Corporation to the various committees. Assess and provide recommendations on an annual basis to the Board on the effectiveness of the committees of the Board.
- (e) **Board Compensation.** Review and make recommendations to the Board in respect of the amount and form of compensation of directors, in order to ensure compliance with all applicable rules and regulations and to ensure that such compensation is consistent with the roles and responsibilities of the Directors and all of the other mandates of the Board and its committees.
- (f) **Board Independence.** Formulate and administer all procedures, including procedures for effective meetings required so that the Board functions independently of Management.
- (g) **Evaluation.** Assess the effectiveness of the Board as a whole, the committees, and the contribution of individual directors.
- (h) **Establish Policies.** Review and recommend strategic corporate policies such as Disclosure and Press Release Policies, Insider Trading Policies, Confidentiality Policies and the Corporation's Code of Conduct, Conflict of Interest and other relevant policies associated with an effective system of corporate governance. Authorize any waiver of senior officers' or directors' compliance with the Corporation's Code of Conduct and oversee the investigation of any alleged breach by senior officers of the Corporation's Code of Conduct.
- (i) **Reporting.** Report on corporate governance as required by public disclosure requirements.

4. MEETINGS AND QUORUMS

The Committee will meet at least once in any fiscal year and otherwise will determine the date, time and place of its meetings. The Committee may meet on not less than 48 hours written or verbal notice from the Chair to all members (or without notice if all persons entitled to notice have waived or are deemed to have waived such notice). If the Chair is absent or if the position is vacant any member of the Committee may call a meeting. A majority of members of the Committee will constitute a quorum for the transaction of business. The Committee may establish those procedures for the conduct of its business as it deems appropriate, such procedures to be in keeping with those adopted by the Board. All decisions will be by majority vote. In the event of a tie, the Chair will have the casting vote in addition to his or her original vote.

5. EXPERTS AND ADVISORS

The Committee may retain or appoint such experts and advisors as it deems necessary, without Board approval and at the Corporation's expense, and with the approval of the Chair of the Board, to carry out its

duties. The Committee will oversee the retention or appointment of expert and advisors for the Board and all of its Committees.

6. SECRETARY AND MINUTES

The Secretary of the Corporation, or such other person as may be appointed by the Chair of the Committee, will act as Secretary of the Committee. The minutes of the Committee will be in writing and duly entered in the books of the Corporation. The minutes of the Committee will be circulated to all other members of the Board, redacted as may be determined necessary by the Chair to excise any sensitive personnel information not otherwise material to the Board.

7. COMPLAINTS PROCEDURE

The Committee will establish a procedure for the receipt, retention and follow-up of complaints of all members of the Board.