

TERMS OF REFERENCE OF THE BOARD OF DIRECTORS

1. PURPOSE

The Board of Directors (the “Board”) of D-Box Technologies Inc. (the “Corporation”), consisting of a majority of independent directors, is responsible for managing the Corporation in accordance with its bylaws and in compliance with all applicable statutes and regulations.

2. STRUCTURE AND OPERATIONS

The Board retains full authority and power to perform all legal acts and other actions that are not regulated, legally or otherwise, or that are required to be carried out by the Corporation’s shareholders or in any other manner.

All the directors shall act honestly and in good faith in the best interests of the Corporation and shall exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3. RESPONSIBILITIES

In fulfilling its responsibilities, the Board (or the Board committees, duly constituted by the Board, provided that such delegation is permitted by law and specifically effected by the Board) shall have the following specific responsibilities:

1. **Management of the Corporation** – Adopt the governance guidelines or principles to be applied to the Corporation, to wit: (i) the size and membership of the Board; (ii) the orientation of new directors; (iii) arrangements for continuing education of the directors; (iv) the description of duties of the chair and of the members of each committee, as well as the competencies and skills that each director should bring to the Board or to each of its committees; (v) compensation for the directors and the terms of their appointments; and (vi) periodic performance evaluation of the Board, of its committees and of its directors, in relation to the Board’s charters and its terms of reference.
 - a. Monitor adherence to practices and processes by the Board and by management to ensure compliance with applicable legislation and appropriate moral standards, including the adoption of corporate policies and procedures and the adoption of a written code of business conduct and ethics applying to the directors, officers and employees of the Corporation, containing appropriate standards to discourage misconduct.
 - b. Present any amendment to the Corporation’s articles, any amendment to or repeal of any bylaw, or any issue or matter falling within their jurisdiction, to the shareholders for their approval.
 - c. Adopt and monitor a corporate strategic plan including an annual business plan and a budget, and periodically review it, taking into account business opportunities and risks, among other things.
 - d. Recommend, for approval, a clear vision for the Corporation, as developed by the Chief Executive Officer (“CEO”) and shared by all members of management.

- e. Recommend, for approval, annual objectives for the Corporation and for the CEO, including an operating budget. Evaluate the Corporation's performance and that of the CEO in relation to the objectives and budgets that were approved.
 - f. Implement appropriate internal controls and management information systems.
 - g. Identify the main business risks facing the Corporation, and ensure the implementation of appropriate systems and insurance policies to manage those risks.
 - h. Adopt and monitor a communications policy.
 - i. Adopt succession planning processes in a timely fashion; periodically review the succession plans of key members of management, including the CEO; appoint the Corporation's executive officers and monitor their performance.
2. **Issuance of securities** – Authorize the issuance of securities by the Corporation in accordance with legislation.
 3. **Dividends** – Declare dividends on the Corporation's shares or approve the purchase, redemption or other acquisition, as the case may be, of shares issued by the Corporation, in accordance with legislation.
 4. **Reliability and integrity of accounting principles and practices** – Monitor the reliability and integrity of accounting principles and practices followed by management in financial statements and other financial reports, and the disclosure practices followed by management.
 5. **Compensation** – Decide what compensation shall be paid to managers and directors, including the issuance of options and consulting agreements between related persons.
 6. **Integrity of the CEO and other executive officers** – To the extent possible, satisfy itself as to the integrity of the CEO and other executive officers of the Corporation so that they may spread a culture of integrity throughout the Corporation.
 7. **Qualifications and independence of external auditors** – Monitor the qualifications and independence of the Corporation's external auditors and approve the general conditions governing the auditing of accounts and other services, as required by and in compliance with the rules and regulations of the stock market(s) and of the securities regulators to which the Corporation is subject.
 8. **Performance of independent auditors** – Evaluate the performance of independent auditors, appoint independent auditors in the event of any absence of independent auditing service between general shareholders' meetings and make recommendations to the Corporation's shareholders regarding the annual appointment or, if appropriate, the dismissal of the Corporation's independent auditor for their approval, in accordance with legislation.
 9. **Approval of annual audited consolidated financial statements** – Review and approve the Corporation's annual audited consolidated financial statements and, in accordance with legislation, approve the Corporation's interim unaudited consolidated financial statements.

10. **Approval of prospectuses, annual newsletters, annual reports or other reports** – Approve prospectuses, annual newsletters, annual reports or other reports, as the case may be, including proxy circulars and proxy notices sent to the Corporation's shareholders. Review the management's discussion and analysis of financial conditions and operating results and any other significant disclosure document, as established by the Board from time to time.
11. **Feedback from security holders** – Set up, and periodically review, steps taken by the Corporation to obtain feedback from security holders.
12. **Recommendation of candidates for election or appointment to the Board** - Recommend candidates for election or appointment to the Board, including the examination of appointments recommended by shareholders.
13. **Job descriptions** – Develop job descriptions for the Chairman of the Board and the chair of each of its committees, as well as a clear description of the CEO position, including a precise delineation of management's responsibilities.
14. **Decisions requiring prior Board approval** – To the extent not covered above, review and approve all proposed transactions and matters, as described below under the heading "Decisions requiring prior Board approval" and, as applicable, as required by the Canada Business Corporations Act, and in compliance with the rules and regulations of the stock market(s) and of the securities regulators to which the Corporation is subject.

4. DECISIONS REQUIRING PRIOR BOARD APPROVAL

In carrying out its duties and responsibilities, the Board should exercise due diligence in the monitoring that it performs to avoid fraud or abuse. Consequently, the Board may carry out reviews, studies and investigations, and may engage the services of legal, financial or other advisors, at the Corporation's expense and at whatever frequency and subject to whatever general conditions the Board deems appropriate.

In addition to the approvals required by legislation or by the stock markets on which the Corporation lists its securities and by securities regulators, the Board (or the Board committees, duly constituted by the Board, provided that such delegation is permitted by law and is specifically done by the Board) shall review and approve the following before they are implemented:

1. All investments not planned in the operating budget, all mergers, acquisitions and all significant investments and disposals made by the Corporation
2. All of the Corporation's borrowings and banking arrangements, as specified in the Corporation's policies and bylaws
3. Any financing by the Corporation, including the issuance of debt instruments, equity instruments and derivatives; more generally, this includes the approval of any off-balance-sheet financing by the Corporation or by entities or subsidiaries for a specific purpose
4. The purchase and redemption of securities
5. Any change to the Corporation's articles of incorporation or by-laws

6. The hiring and, if necessary, the dismissal of the CEO
7. The compensation paid to managers and directors, including the granting of options and consulting mandates to related persons
8. Any other decision outside the Corporation's normal course of business, including all strategy and dispute resolution decisions
9. Any other matter for which the Board has required its specific approval; and
10. The Board's performance review to be carried out at least once per year.

5. EXPECTATIONS OF MANAGEMENT

Management, led by the CEO, is responsible for the Corporation's day-to-day operations; it shall provide complete and specific information about operations to the Board, either directly or through the Chairman.

The Board expects management to propose the Corporation's strategic plan and to implement it once it is approved by the Board, and to be responsible for the Corporation's financial and competitive performance. The Board expects the Corporation's resources to be managed in such a way as to increase the Corporation's value, with due consideration for ethics and corporate social responsibility.

The Board may ask certain members of management to attend, in full or in part, a meeting of the Board or of a Board Committee, and may plan presentations by managers who are able to provide additional opinions based on their own involvement in their field of expertise.

Each director shall have full access to any member of management. The Corporation's Chief Financial Officer and Corporate Counsel may, as applicable, meet privately with the Audit Committee and the Governance Committee.

The Board and all its committees may rely on the information provided by members of the Corporation's management or by external advisors and auditors.

General

The Board shall review its Terms of Reference and assess their appropriateness on an annual basis.

Nothing in these Terms of Reference is intended to impose, nor may it be construed as imposing, on any member of the Board, a standard of precaution that is in any way more onerous or broader than the standard that is required by the various statutes and regulations to which the Corporation is subject.