



MAKING *Life* BETTER

CHARTER OF THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE

I. PURPOSE

The Corporate Governance and Nominating Committee (the “**Committee**”) is a standing committee appointed by the Board of Directors (the “**Board**”) of The Green Organic Dutchman Holdings Ltd. (the “**Corporation**”) will act on behalf of and subject to the direction of the Board of the Corporation in all matters pertaining to corporate governance issues, new director nominees, as well as the size and composition of the Board and Board committees.

II. COMPOSITION

The Board will appoint no fewer than three directors to the Committee, a majority of whom must be independent¹.

III. CHAIR

The Board will appoint the Chair of the Committee annually, to be selected from the members of the Committee. If, in any year, the Board does not make an appointment of the Chair, the incumbent Chair will continue in office until that Chair’s successor is appointed.

IV. REMOVAL AND VACANCIES

Any member of the Committee may be removed and replaced at any time by the Board and will automatically cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies in the Committee by election from among the members of the Board. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office.

V. TENURE

Subject to the paragraph above, each member of the Committee will hold office until the next annual meeting of shareholders of the Corporation after his or her election.

VI. NOTICE OF MEETINGS

- a. The Chair of the Committee may call meetings of the Committee periodically and will do so at the request of any two Committee members.
- b. The Committee will have the right to require the attendance of any member of management of the Corporation at meetings of the Committee.
- c. The Committee will have the right to invite any person to attend meetings of the Committee.

¹ For the definition of “**independent**”, please see the Glossary of Terms.

- d. Notice of the time and place of each meeting of the Committee will be given to each member by telephone, electronic mail or facsimile transmission not less than forty-eight (48) hours before the time of the meeting or by written notice not less than four (4) days before the day of the meeting, and, subject to the requirements of applicable law, need not specify the purpose of or the business to be transacted at the meeting. Meetings of the Committee may be held at any time without notice if all the members have waived or are deemed to have waived notice of the meeting.

VII. TIMES AND PLACES OF MEETINGS

The Committee will meet as many times as is necessary to carry out its responsibilities. The meetings shall be at times and places to be determined by the Committee.

VIII. QUORUM

A quorum at any meeting will be a simple majority of Committee members, provided that if the number of Committee members is an even number, one half of the number plus one shall constitute a quorum.

IX. MINUTES OF MEETINGS

The Committee will keep regular minutes of its proceedings and will report to the Board at each Board meeting. Minutes will be circulated to all directors on a timely basis.

X. TRANSACTION OF BUSINESS

The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all Committee members entitled to vote on that resolution at a meeting of the Committee.

XI. ASSESSMENT OF THE BOARD OF DIRECTORS

Every year (or with such greater frequency as the Board may from time to time deem appropriate), the Committee may initiate an evaluation of the Board. The scope of such evaluation, together with an evaluation plan and methodology, shall be determined by the Committee and may (but need not in every instance) include an evaluation of the performance of all or any of the Board committees and of the individual directors.

An evaluation of the Board, including any evaluation of the Board committees and directors, shall be conducted primarily through the administration of a questionnaire, followed by interviews with individual directors. The findings of the evaluation shall be presented to the Board as a whole in the form of a report by the Chair of the Committee. Such report shall review the findings of the evaluation and propose any action that might be taken to improve performance.

The Committee may retain the services of outside experts for the purpose of conducting the Board evaluation, or it may rely upon its own resources or upon the resources of management.

XII. AUTHORITY TO ENGAGE OUTSIDE ADVISORS

The Committee shall (with the consent of the Chair of the Board, which consent may not be unreasonably withheld) have the authority to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for any advisors engaged by it.

XIII. DUTIES AND RESPONSIBILITIES OF THE COMMITTEE

The Committee will (with the assistance of consultants as required):

- a. Develop and enforce policy in the area of corporate governance and the practices of the Board in light of the Corporation's particular circumstances, the changing needs of investors and the Corporation, and changes in corporate governance guidelines.
- b. Prepare and recommend to the Board annually a statement of corporate governance practices to be included in the Corporation's information circular and ensure that such disclosure is complete and provided in accordance with the regulatory requirements.
- c. Monitor developments in the area of corporate governance and the practices of the Board and advise the Board accordingly.
- d. Develop, implement and maintain appropriate policies with respect to disclosure, confidentiality and insider trading.
- e. Adopt a process for determining what competencies and skills the Board as a whole should have, and apply this result to the recruitment process for new directors.
- f. In consultation with the Chair of the Board and the Chief Executive Officer, identify individuals qualified to become new Board members and recommend to the Board the new director nominees for the next annual meeting of shareholders.
- g. In making its recommendations, the following factors shall be considered:
 - i. the competencies and skills that the Board considers to be necessary for the Board, as a whole, to possess;
 - ii. the competencies and skills that the Board considers each existing director to possess;
 - iii. the competencies and skills each new nominee will bring to the Board; and
 - iv. whether or not each new person considered for nomination can devote sufficient time and resources to fulfil his or her duties.
- h. Recognize that shareholding by directors is appropriate in aligning director and shareholder interests.
- i. Annually review credentials of existing Board members to assess suitability for re-election.
- j. Establish procedures for, and approve and ensure provision of, an appropriate orientation and education program for new recruits to the Board and continuing education for Board members (see general outline of orientation program for new directors, set out in Schedule "A" attached hereto).
- k. Consider and, if thought fit (and after obtaining the consent of the Chair of the Board, which consent may not be unreasonably withheld), approve requests from individual directors for an engagement of special outside advisors at the expense of the Corporation.
- l. Review, on a periodic basis, the size and composition of the Board and Board committees and make appropriate recommendations to the Board.

XIV. ACCESS TO RECORDS

The Committee will be permitted access to all records and corporate information that it determines to be required in order to perform its duties.

SCHEDULE "A"

Orientation Program for Orientation of New Directors

Orientation and training of new directors is monitored by the Corporate Governance and Nominating Committee. When a director is elected to the Board, he or she will be given a letter of appointment by the President and Chief Executive Officer or the Chair of the Board outlining his or her duties, responsibilities, and remuneration and an orientation package including material that will assist him or her in becoming familiarized with the Corporation.

The orientation for a new director will include:

- m. information pertaining to the role of the Board;
- n. meetings with operating management and familiarization with the Corporation's day-to-day operations;
- o. an outline of the Corporation's history and other relevant data;
- p. recent analysts' reports, if any;
- q. a copy of the Corporation's corporate governance materials;
- r. information pertaining to liability insurance coverage;
- s. guidance concerning trading in the Corporation's securities; and
- t. guidance regarding insider information.