

# SYLOGIST LTD.

## COMPENSATION COMMITTEE CHARTER

### A. PURPOSE AND AUTHORITY

The Compensation Committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of Sylogist Ltd. (the “**Corporation**”). The Committee’s primary function is to assist the Board in carrying out its responsibilities by reviewing compensation and human resources issues and making recommendations to the Board as appropriate. In particular, the Committee is responsible for discharging the Board’s responsibilities relating to compensation of the Corporation’s senior officers.

### B. COMPOSITION AND MEETINGS

#### 1. Reporting

The Committee shall report to the Board.

#### 2. Composition of Committee

The Committee shall consist of not less than [two (2)] Directors, the majority of whom shall be independent. A member of the Committee is independent if the member is independent of management and has no direct or indirect material relationship with the Corporation which could, in the view of the Board, reasonably interfere with the exercise of the member’s independent judgment. The Committee refers to Canadian securities regulation for definitions and guidance as to the meanings of independence. Committee members will include only duly elected Directors.

#### 3. Appointment of Committee Members

Members of the Committee shall be appointed at a meeting of the Board, typically held after election of members to the Board at the annual meeting of the shareholders of the Corporation, provided that any member may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Committee upon ceasing to be a member of the Board.

#### 4. Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

#### 5. Chairman

The Board shall appoint the Chairman of the Committee.

If the Chairman of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen to preside by a majority of members of the Committee present at such meeting.

## **6. Committee Meetings**

The Committee shall meet at least [**twice annually**] at the call of the Chairman. The Chairman may call additional meetings as required. In addition, a meeting may be called by the Board Chairman, the Chief Executive Officer of the Corporation, or any member of the Committee.

Committee meetings may be held in person, by video conference, by means of telephone or by combination of any of the foregoing.

The Chief Executive Officer of the Corporation is expected to attend meetings or portions thereof. At the request of the Committee, certain members of senior management and others may attend Committee meetings on an ad hoc basis.

The Committee may, by specific invitation, have other resource persons in attendance.

The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.

Members of the Board, who are not members of the Committee, may attend Committee meetings, on an ad hoc basis, upon prior consultation and approval by the Committee Chairman or by a majority of the Committee.

## **7. Notice of Meeting**

Notice of the time and place of each meeting shall be given in writing, and delivered by courier, facsimile or email to each member of the Committee at least 48 hours prior to the time fixed for such meeting.

A member may in any manner waive notice of the meeting. Attendance of a member at a meeting shall constitute waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

## **8. Quorum**

A majority of Committee members, present in person, by video conference, by telephone, by other electronic or communication facility or by a combination thereof, shall constitute a quorum.

## **9. Minutes**

At each meeting, the Committee shall appoint a recording secretary to take the minutes of the meeting. Minutes of Committee meetings shall be sent to all Committee members and to the Chief Executive Officer of the Corporation.

## **10. Report to the Board**

The Committee shall provide a written or oral report to the Board concerning any Committee discussions, proposals or recommendations to the Board. In respect of matters for which decision making authority has been delegated by the Board to the Committee, the Committee shall approve such matters by way of resolutions passed at Committee meetings and reflected in the Committee meeting minutes. Otherwise, the Committee will make recommendations to the Board for the approval of matters discussed and agreed to by the Committee.

## **C. RESPONSIBILITIES**

The Committee shall:

- (a) Act in an advisory capacity to the Board.
- (b) Develop human resources and compensation policies and guidelines for application to the Corporation.
- (c) Ensure that the Corporation has in place programs to attract and develop management of the highest caliber and a process to provide for the orderly succession of management.
- (d) Review compliance with securities regulatory requirements governing executive compensation committees and executive compensation reporting of public entities.
- (e) Issue the report on executive compensation as may be required by applicable securities regulations.
- (f) Periodically review compensation policies of peer organizations to permit effective comparison with those of the Corporation.
- (g) Review the performance of the Chief Executive Officer relative to the corporate goals and objectives for the purpose of determining the compensation of the Chief Executive Officer and evaluate the Chief Executive Officer's performance in light of those corporate goals and objectives.
- (h) Set the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer and to approve compensation for all other designated officers of the Corporation after considering the recommendations of the Chief Executive Officer, and in accordance with any human resources and compensation policies and guidelines approved by the Board.
- (i) Annually receive from the Chief Executive Officer recommendations concerning annual compensation policies and budgets for all employees and comment where appropriate.
- (j) Periodically review with the Chief Executive Officer the Corporation's policies on compensation for all employees and overall human resources matters.
- (k) At least annually review the adequacy and form of compensation of Board members and to ensure that the compensation realistically reflects the responsibility and risks involved in being an effective member of the Board and to report and make recommendations to the Board accordingly.

## **D. MISCELLANEOUS**

The Committee may engage independent outside resources and shall have the authority to retain, settle the fees of and terminate any consultant to be used to assist in the evaluation of the Chief Executive Officer or senior corporate officer compensation.

The Committee, upon approval by a majority of the members of the Committee, may delegate its duties and responsibilities to subcommittees of the Committee.

The duties and responsibilities of a member of the Committee are in addition to his other duties as a member of the Board.