

# Corporate Governance Provisions in Shareholder Agreements

## 1. Board Composition

- The Board of Directors shall consist of seven (7) members.
- Each Shareholder holding at least 15% of the issued shares shall have the right to appoint one (1) director.
- Remaining directors shall be appointed by a majority of Shareholders.

## 2. Quorum and Voting

- Quorum for a meeting of the Board shall be four (4) members present in person or via teleconference.
- Decisions of the Board shall require the approval of a simple majority present at the meeting.
- Certain reserved matters require unanimous consent (see Section 4).

## 3. Reserved Matters

- Any amendment to the company's constitutional documents.
- Approval of annual business plan or budget.
- Acquisition or disposal of assets valued above \$100,000.
- Issuance of new shares or other securities.
- Any merger, consolidation, or reorganization of the Company.

## 4. Information & Inspection Rights

- Each Shareholder shall have the right to receive quarterly and annual financial statements.
- Shareholders may, upon reasonable notice, inspect the books and records of the Company during normal business hours.

## 5. Confidentiality

- Directors and Shareholders must maintain the confidentiality of all proprietary company information.

## 6. Dispute Resolution

- Any dispute relating to these provisions shall be resolved by binding arbitration in accordance with the rules of the arbitration body specified in the Agreement.

## 7. Term & Termination

- These corporate governance provisions shall remain in force for as long as the Shareholder Agreement is in effect.