



CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

1. General

The purpose of this document is to establish the charter and terms of reference of the Corporate Governance and Nominating Committee (the "**Committee**") of Rocky Mountain Dealerships Inc. (the "**Corporation**").

2. Purpose

The purpose of the Committee is to:

- (a) Assist the Board of Directors of the Corporation ("**Board**") in the discharge of the Board's duties with respect to adopting and ensuring compliance with the Corporation's Code of Business Conduct & Ethics, as well as the Governance Policies and Guidelines of the Corporation;
- (b) Identify suitable Board candidates and recommend those candidates to the Board for nomination; and,
- (c) Make recommendations as to members for the various committees of the Corporation.

3. Structure and Authority

- (a) The Board shall elect annually from the members of the Board a Corporate Governance and Nominating Committee which shall be composed of not less than two members of the Board. Each member of the Corporate Governance and Nominating Committee shall be an independent director as defined in National Instrument 58-101. The Board may remove a member of the Corporate Governance and Nominating Committee at any time in its sole discretion by resolution of the Board.
- (b) Each member of the Committee shall serve at the pleasure of the Board and, in any event, only so long as he/she shall continue to be a Director. The Board may fill vacancies in the Committee by election from their number, subject to new members satisfying the above stated requirements. The Board shall appoint the Chair of the Committee to serve in that capacity at the pleasure of the Board.
- (c) The Committee shall have the power to fix its quorum at not less than a majority of its members and to determine its own rules of procedures subject to any regulations imposed by the Board from time to time.
- (d) Each member will have, to the satisfaction of the Board, sufficient skills and/or experience which are relevant to the contribution in carrying out the mandate of the Committee.
- (e) The Committee shall have the sole authority to retain and terminate any advisors (legal,

accounting or otherwise) to be used to assist in carrying out the Committee's duties and responsibilities and shall have the sole authority to approve the consultant's fees and other retention terms.

- (f) The Committee shall have the authority to delegate to committees of their own denomination, provided that the committees are composed entirely of independent directors. Any such committee must have a published committee charter.
- (g) The Committee shall appoint a Secretary to the Committee who shall record the proceedings of the meetings and maintain minutes of meetings and activities of the Committee to be reported to the Board following meetings of the Committee;
- (h) The Committee shall regularly meet *in camera*;
- (i) Following each Committee meeting, the Chair of the Committee shall report to the Board on the activities, findings and recommendations of the Committee.

4. Chair of the Committee

The Chair of the Committee shall:

- (a) Call and conduct the meetings of the Committee;
- (b) Be entitled to give an additional and deciding vote in the event of a tie in voting;
- (c) Prepare and forward to members of the Committee the agenda for each meeting of the Committee, and include, in the agenda, any items proposed for inclusion in the agenda by any member of the Committee;
- (d) Appoint a Secretary to take minutes of the meetings of the Committee; and,
- (e) Act in a manner that the Committee meetings are conducted in an efficient, effective and focused manner.

5. Responsibilities

The Committee shall:

- (a) Develop and update, for annual Board approval, a long-term plan for the Board's composition that takes into consideration the current strengths, personalities, skills and experience on the Board, retirement dates and the strategic direction of the Corporation.
- (b) Set criteria for Board members, identify individuals qualified to become board members and, at the direction of the Board, either select or recommend that the Board select, the director nominees for the next Annual General Meeting of Shareholders.
- (c) To develop and recommend standards of impartiality and independence to be used by the Board in determining material relationships between the Corporation and a director or its senior

executives.

- (d) To identify Board members qualified to serve on any committee of the Board (including the Committee) and to recommend that the Board appoint the identified member or members to the respective committee. In nominating a candidate for committee membership, the Committee shall take into consideration the factors set forth in the charter of that committee, if any, as well as any other factors it deems appropriate, including, without limitation:
 - i. applicable law, securities regulations and the rules of the Toronto Stock Exchange;
 - ii. the consistency of the candidate's experience with the goals of the committee; and,
 - iii. the interplay of the candidate's experience with the experience of other committee members.
- (e) To establish procedures for the Committee to exercise oversight of the evaluation of the Board and management.
- (f) To report annually to the Board with an assessment of the Board's performance, to be discussed with the full Board on an annual basis.
- (g) To prepare and issue the annual Board Evaluation and Assessment, and to report to the Board on the consolidated results.
- (h) To develop and recommend to the Board a set of corporate governance principles applicable to the Corporation, and to review those principles and, if the Committee deems appropriate, to recommend any changes to the Board for approval.
- (i) To consider whether any amendments to the Certificate of Incorporation and Bylaws of the Corporation are desirable, review any proposed amendments to the Certificate of Incorporation and Bylaws and recommend appropriate action to the Board.
- (j) To review and assess the Corporation's compliance with the corporate governance requirements established by the Toronto Stock Exchange, the requirements established under CSOX and other applicable laws and regulations relating to corporate governance.
- (k) To review and make recommendations about the structure and functions of Board committees, after consultation with the respective committee chairs.
- (l) To review and advise the Board, in consultation with other Board committees as appropriate, with respect to any shareowner proposal received in connection with the Corporation's annual meeting of shareowners.
- (m) To report to the Board on a quarterly basis, and at any other time as deemed appropriate and necessary by the Board.
- (n) To assess and resolve any conflicts of interest involving a director, the CEO, the CFO, or a vice-

president.

- (o) To recommend to the Board such additional actions related to corporate governance matters as the Committee may deem necessary or advisable from time to time.
- (p) To exercise any other duties or responsibilities expressly delegated to the Committee by the Board from time to time, including the following duties and responsibilities assigned to the Committee as set forth in the Board of Directors' Charter and Corporate Governance Guidelines, to be performed as required but in all cases at least once per annum:
 - i. Review of the Board of Directors' Independence Standards;
 - ii. Review the Corporation's Insider Trading Policy;
 - iii. Review the Corporation's Code of Business Conduct and Ethics;
 - iv. Review the Corporation's Delegation of Authority Policy;
 - v. Review any other policy of the Corporation as deemed appropriate and necessary by the Committee;
 - vi. Review the consolidated skills matrix for the Board;
 - vii. Review any nominees for Director submitted by shareowners;

6. Annual Review and Approval

The Committee, at least once per year, shall review and, if required, amend this Charter to ensure its adequacy and completeness, and shall recommended this Charter to the Board of Directors for approval.

Date of Last Approval by Board of Directors

August 8, 2017