

INVESTMENT COMMITTEE CHARTER

AVANTE LOGIXX INC.

Purpose

The Investment Committee (“Committee”) of Avante Logixx Inc., (the “Company” or “Avante”) is appointed by its Board of Directors (the “Board”) to review and assess, and assist the Board in reviewing and assessing, potential acquisitions, strategic investments and divestitures. The Investment Committee will have the authority to take all actions on behalf of the Board as is set forth in this Charter.

Definitions

- Management – Management is defined as the Chief Executive Officer, Chief Financial Officer or Chief Operating Officer and in order for management to approve a transaction it must be signed off by two (2) of these members.
- Arm’s Length – all members involved in the decision-making process must be independent and on an equal footing. Should a member have any involvement in a proposed opportunity they will recuse themselves from the decision-making process and appoint an interim member to act on their behalf.

Investment Strategy

To become a leader in technology enabled security solutions through the acquisition of leading security services provider allowing Avante to become a holistic security provider to large, multinational accounts.

Targeting a return on invested capital (“ROIC”) of 14-15% with an internal rate of return (“IRR”) greater than 15% given a reasonable set of assumptions. Debt to Equity ratios are not to exceed 3.0x leverage at completion of a proposed transaction, with a goal of maintaining no more than 2.5x leverage moving forward.

Areas of focus are grouped based on the Company’s Strategic Business Units (SBUs):

- Protective Services
- Monitoring & Managed Services
- Cyber Security
- Electronic Security
- Security Devices & Hardware
- Investigations & Intelligence

Membership

The Investment Committee will consist of three members of the Board. At least two (2) members of the Investment Committee must meet the independence requirements of the TSX, any other regulatory requirements applicable to the Company, and any additional independence requirements set forth in the Company’s Corporate Governance Guidelines. Each Committee member shall be subject to annual reconfirmation and may be removed by the Board at any time.

Authority and Responsibilities

1. Review, and provide guidance to management and the Board with respect to, the Company’s acquisition, investment, and divestiture strategies;

2. To review and approve periodically policies and guidelines governing the Company's investment portfolio and monitor compliance with those policies;
3. To review and approve periodically policies and guidelines regarding the Company's use of debt/ securitization and monitor compliance with those policies;
4. Assist management and the Board with the identification of acquisition, investment, and divestiture opportunities;
5. Oversee management and the Board's due diligence process with respect to proposed acquisitions, investments, and divestitures;
6. Review acquisition, investment, and divestiture candidates with management, when and as appropriate. In connection with such review, the Investment Committee has the following authority and responsibilities:
7. Request that management prepare and present post-acquisition performance reviews on specified acquisitions with such frequency as the Investment Committee may designate;
8. Provide a report of its meetings and activities to the full Board on a regular basis.

See Appendix attached for "Investment Authorization Matrix"

When a transaction is approved by Management or the Committee pursuant to the parameters stated above, the full Board shall be informed of such decision within three (3) business days and be provided with an Investment Memo within ten (10) business days of approval.

Investigations, Studies and Use of Outside Advisers

1. The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other advisers as it deems necessary for the proper performance of its responsibilities.
2. The Company's CEO, and the Committee shall each have the authority to retain or terminate any consultant or advisor retained at the direction of the Committee to assist the Committee in carrying out its responsibilities, including authority to approve the fees or other compensation, and other retention terms, of such consultant or advisor, such fees or other compensation to be borne by the Company.

Organization

1. The Investment Committee shall convene periodically as necessary to act upon any matter within its jurisdiction;
2. A quorum of the Investment Committee consists of a majority of its members. All actions of the Investment Committee must be approved by a majority vote of the members present, unless there are only two members present, in which case such actions require a unanimous vote. Action may also be taken via unanimous written or electronic consent to the extent permitted by the Company's Bylaws;
3. Voting may be conducted verbally and the results, together with all other business conducted at each meeting will be recorded in the minutes of the meeting;
4. In conjunction with the Corporate Governance Committee and its evaluation process, the Investment Committee annually reviews its own performance and the adequacy of this Charter;
5. Minutes shall be kept of each meeting of the Committee.