

ENABLE HOLDINGS, INC.

CORPORATE GOVERNANCE PRINCIPLES AND PRACTICES

The primary responsibilities of the Board of Directors of Enable Holdings, Inc. (the “Company”) are to oversee the exercise of corporate powers and to ensure that the Company’s business and affairs are managed to meet its stated goals and objectives. The Board recognizes its responsibility to engage, and provide for the continuity of, executive management that possesses the character, skills and experience required to attain the Company’s goals and to ensure that nominees for the Board of Directors possess appropriate qualifications and reflect a reasonable diversity of backgrounds and perspectives.

Directors will fulfill the following responsibilities and requirements:

- Represent the collective interests of all shareholders of the Company;
- Discharge Board duties in good faith, with due care and in a manner he or she reasonably believes to be in the best interests of the Company;
- Possess independence, objectivity and the highest degree of integrity on an individual and collective basis;
- Be dedicated to understanding the business of the Company and issues presented to the Board;
- Be committed to active, objective, thoughtful, constructive and independent participation at meetings of the Board and its committees;
- Bring to the Board’s deliberations their collective breadth of business, professional and personal experience to represent the interests of shareholders;
- Review fundamental operating, financial and other corporate plans, strategies and objectives;
- Evaluate on a regular and timely basis the qualitative and quantitative performance of the Company and its senior management;
- Review the process of providing appropriate financial and operating information, internally and externally;
- Assure adherence to proper policies of corporate conduct, including compliance with applicable laws, regulations, business and ethical standards;
- Assure maintenance of proper accounting, financial and other appropriate controls; and

- Evaluate and take steps to improve the overall effectiveness of the Board.

The Board has the responsibility to organize its functions and conduct its business in the manner it deems most effective and efficient, consistent with its duties of good faith, due care and loyalty. In that regard, the Board has adopted a set of flexible policies to guide its governance practices in the future. These practices, set forth below, will be regularly re-evaluated by the Board's Corporate Governance and Nominating Committee (the "Governance Committee") in light of changing circumstances in order to continue serving the best interests of the Company's shareholders. Accordingly, this summary of current practices is not a fixed policy or resolution of the Board, but merely a statement of current practices that is subject to continuing assessment and change.

1. Separate Chairman of the Board and Chief Executive Officer

It is the intention of the Board that at all times that the roles of Chairman and Chief Executive Officer shall be held by separate individuals. The Chairman being a pre-existing, independent member of the Board. The Board believes it is important that the Board and the Shareholders be represented by the Chairman of the Board. The Board employs and may nominate the Chief Executive Officer to be a member of the Board.

2. Size of the Board

The Board of Directors currently has five members. The number will vary from time to time depending on circumstances. At least 70% of the Board members should be independent directors as defined in Rule 4200 of the Nasdaq listing standards.

3. Board Definition of What Constitutes Independence for Non-Employee Directors

No relationship between any independent director and the Company should be of a nature that could interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The determination of what constitutes independence for an independent director in any individual situation shall be made by the Board in light of the totality of the facts and circumstances relating to such situation and in compliance with the requirements of Nasdaq's applicable listing standards and other applicable rules and regulations.

4. Number of Committees

The present standing Board committees are: the Audit Committee, the Compensation Committee and the Governance Committee. All members of each such committee shall be independent. The Chairman of the Board will not sit on any of the board's committees. The Board considers its current committee structure to be appropriate but the number and scope of committees may be revised as appropriate to meet changing conditions and needs.

5. Board Member Criteria

The Governance Committee is responsible for reviewing the appropriate skills and characteristics required of directors in the context of prevailing business conditions and composition of the Board. The qualifications to be considered in the selection of director nominees include the extent of experience in business, trade, finance or management; the extent of knowledge of regional and national business affairs; and person attributes, including without limitation, integrity, loyalty and the overall judgment to advise and direct the Company in meeting its responsibilities to shareholders, customers, employees and the public. In considering candidates to fill vacancies on the Board, the Governance Committee will look very closely at the experience of potential candidates. It will give the highest consideration to those candidates. It will give the highest consideration to those candidates that have all of the following characteristics. First, the candidate brings a critical set of skills to the Board (ex: finance and marketing). Second, the candidate has prior experience on a board of directors of a widely held company of at least equivalent size and complexity. Third, the candidate has significant expertise such as CEO, President, COO, or CFO of a significant operating business. The objective is to have a Board that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience. If any member of the Board serves on boards of more than three 'for-profit' entities, then such director is expected to offer his or her resignation to the Board. The Board in its discretion will determine whether such member should continue to serve as a director for an unexpired term or any future terms.

6. Procedure for Selecting New Director Candidates

The Board is responsible for selecting its members, subject to shareholder approval, but delegates the screening process to the Governance Committee. The Governance Committee is expected to work closely with the Chairman of the Board to determine the characteristics and qualifications desired in new members of the Board and to make recommendations of candidates to the entire Board.

7. Extending the Invitation to a Potential New Director to Join the Board

Upon concurrence of the members of the Board, invitations to join the Board will generally be extended on behalf of the Board by the Chairman of the Board. Other Board members may participate as appropriate.

8. Board Member Orientation

Orientation materials will be made available and appropriate meetings will be held to acquaint new directors with the business, history, current circumstances, key issues and top managers of the Company.

9. Frequency of Board Meetings; Attendance

Currently, the Board has four regularly-scheduled meetings each year, with additional meetings as required. The Board considers its current meeting schedule to be adequate, but the number of regularly-scheduled meetings may be adjusted as necessary to meet changing conditions and needs. A calendar of Board meetings will be developed and circulated as far in advance as practicable. Members are expected to attend all meetings barring special circumstances.

10. Selection of Agenda Items for Board Meetings

The Chairman of the Board, with assistance of the Chief Executive Officer, develops the agenda for Board meetings. The agenda is circulated in advance and Board members may suggest additional items for consideration.

11. Board Materials Distributed in Advance

As much information and data as practical on the meeting agenda items and the Company's financial performance is sent to Board members in advance of meetings.

12. Executive Sessions of Outside Directors

At each meeting of the Board, the agenda includes time at the beginning of the meeting for an executive session with only independent directors and the Chief Executive Officer present, and during the meeting for another executive session without the Chief Executive Officer present.

13. Board Access to Senior Management

All Board members have access to senior management. The Chief Executive Officer is encouraged to invite to Board meetings senior managers who can provide additional insight into business matters being discussed and those with high future potential who should be given personal exposure to members of the Board.

14. Assignment and Rotation of Committee Members

The Governance Committee is responsible for reviewing and recommending to the Board the assignment of directors to various committees. The Governance Committee will also recommend to the Board, subject to applicable membership requirements and as practical, an appropriate rotation process, to ensure diversity of Board member experience and variety of exposure to the affairs of the Company

15. Frequency and Length of Committee Meetings

Generally, committees meet in conjunction with regular Board meetings. Committee chairpersons may also call meetings when they deem it necessary. Committee meetings may be as frequent and as long as needed.

16. Committee Agenda

The agenda for committee meetings is developed by Committee chairpersons in consultation with appropriate members of management. The agenda for each meeting is circulated in advance and Committee members may suggest additional items for consideration.

17. Board Compensation Review

Each year, the Governance Committee of the Board will review the Board's compensation in relation to other companies nationwide. Any changes in Board compensation will be recommended by the Governance Committee and approved by the Board.

18. Assessing the Board's Performance

The Governance Committee will conduct an annual assessment of the overall effectiveness of the organization of the Board and the Board's performance of its governance responsibilities. The Committee will report its findings to the whole Board for discussion and the Board shall conduct an annual performance review of itself based upon such report. In addition, the Chairman of the Board and the chairperson of the Governance Committee will conduct annual performance reviews of each individual director.

19. Directors Who Change Their Job Responsibilities

A Board member, including the Chief Executive Officer, who ceases to be actively employed in his or her principal business or profession, experiences another material change in the circumstances surrounding his or her employment or other business interests, or experiences other changed circumstances (like acceptance of another major Board position) that could pose a conflict of interest, diminish his or her effectiveness as a Board member, significantly reduce the time available for, or otherwise be detrimental to the Company, is expected to offer his or her resignation to the Board. The Board in its discretion will determine whether such member should continue to serve as a director for an unexpired term or any future terms. The Chief Executive Officer shall not accept any 'for profit' board positions nor any non-profit board roles (like industry associations) that have a significant time requirement without the prior consent of the Board of Directors.

20. Term Limits/Retirement Age

No term limits for directors have been established. The Board expects that no member of the Board shall stand for reelection after his/her 75th birthday.

21. Selection of the Chairman and Chief Executive Officer

The Board elects the Chairman of the Board and Chief Executive Officer in the manner and based on the criteria that it deems appropriate and in the best interests of the Company given the circumstances at the time of such election.

22. Formal Evaluation of the Chief Executive Officer

Each year, the chairperson of the Compensation Committee will conduct a formal evaluation of the Chief Executive Officer's performance based on appropriate quantitative and qualitative criteria with the entire Board's input.

23. Succession Planning

The Chairman and the Chief Executive Officer will annually review succession planning with the Governance Committee as it relates to elected corporate officers, and make recommendations to the Board with respect to individuals to occupy these positions in the event of those officers' termination of employment, disability or death. The entire Board shall annually recommend and approve the succession plan relating to the Chief Executive Officer. The Board, at all times, will have plans for the immediate replacement of the Chairman, Chief Executive Officer, President of Enable Holdings, Inc. and Chief Financial Officer.

24. Board Interaction with Institutional Investors, the Media and Customers

The Chairman of the Board shall be made aware of all communications between institutional investors and the Company and in some instances may handle those communications directly; and Company management shall be responsible for communication with the media, stock analysts and customers. The Company will not give earnings guidance to investors or stock analysts that is not approved by the Board.

25. Adoption of Equity Compensation Plans

The Board will not adopt any equity compensation plan applicable to the Company's directors, executive officers, employees or consultants without obtaining prior approval of the Company's shareholders.