

GOVERNANCE AND NOMINATING COMMITTEE CHARTER

General Purpose

The Governance and Nominating Committee (“Committee”) shall assist the Corporation’s Board of Directors in ensuring that the Board of Directors is appropriately constituted to meet its fiduciary obligations to the stockholders and the Corporation by developing and implementing policies and processes regarding corporate governance matters, by assessing Board membership needs, and by proposing Director candidates to the Board of Directors.

1. Major Committee Responsibilities.

- 1.1. Reviewing periodically, and recommending appropriate changes to the Board of Directors regarding the Corporation’s corporate governance principles, code of conduct and other governance-related documents.
- 1.2. Overseeing the Corporation’s Compliance Program and monitoring the Corporation’s compliance with laws, regulations and other requirements.
- 1.3. Reviewing legal and regulatory matters that may have a material impact on the Corporation’s compliance policies and programs.
- 1.4. Overseeing and reviewing the Corporation’s processes for providing information to the Board of Directors, including assessing the reporting channels through which the members of the Board of Directors receive information and the quality and timeliness of information received.
- 1.5. Reviewing and recommending action to the Board of Directors concerning related party transactions or relationships involving a possible conflict of interest between the Corporation and either a Director or a senior executive.
- 1.6. Recommending the members of each Committee to the Board of Directors after consultation with the Chair of the Board of Directors and the Chief Executive Officer (“CEO”) and with consideration of the desires of individual Board members.
- 1.7. Assessing and reviewing with the Board of Directors each year the appropriate qualifications for Board members based on the composition of the current Board and any other skills, experience or characteristics needed or desired.

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- 1.8. Considering and recommending candidates to fill new or vacant positions on the Board of Directors, including the persons to be nominated by the Board of Directors for election as Directors at the Annual Stockholders' Meeting.
- 1.9. Developing, and recommending to the Board of Directors for approval, succession plans for the CEO and Directors.
- 1.10. Reviewing the adequacy of this Charter and the Charters of the Board of Directors and other Committees annually and recommending any changes to the Board of Directors for approval.
- 1.11. Reviewing periodically with the Chair of the Board of Directors and CEO the succession plans for positions held by senior management, making recommendations to the Board of Directors with respect to those succession plans, and ensuring compliance with rules and regulations issued by the Securities and Exchange Commission, other securities laws and regulations and other applicable hiring regulations, including those on hiring employees and former employees of independent auditors.
- 1.12. Providing an annual assessment to the Board of Directors of the performance of the Board of Directors and of each Committee (other than this Committee) after the end of each fiscal year.
- 1.13. Subject to the approval of the Chair of the Board of Directors, proposing and overseeing training for the Board of Directors, including orientation for new members and a combination of general training for the entire Board of Directors and targeted training for selected Committees and members.
- 1.14. Establishing and implementing procedures to allow the Board of Directors to evaluate the Chair of the Board of Directors and the CEO and to ensure proper evaluations occur of other senior management's performance at least annually.
- 1.15. Considering various other matters concerning corporate governance as directed by the Board of Directors or as initiated by the Committee Chair.

2. Committee Composition.

- 2.1. *Size of Committee.* The Committee shall be composed of at least three Directors.

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- 2.2. *Proportion of Independent Directors.* All members of the Committee will be independent.
- 2.3. *Definition of Independence.* The definition of “independence” for members of the Committee shall be the same as the definition of “independence” for Directors as contained in the Board of Directors Charter.
- 2.4. *Term Limits.* Committee members will serve for a term of one year or the unexpired portion of the term of the Committee member who resigned or was removed if that unexpired portion is less than one year. Committee membership will be reviewed and assigned based on the results of the annual Committee and Director evaluations. The total amount of time an individual Director may serve on a Committee of the Company’s Board is limited to three Board membership terms.
3. **Selection of Committee Members.**
- 3.1. *Selection Criteria.* In addition to the qualifications required of all Directors, the Committee collectively should have experience or knowledge of auditing, compliance, governance, human resources and law.
- 3.2. *Commitment.* Committee members must be able to commit the requisite time for preparation and attendance at regularly scheduled Committee meetings, as well as be able to devote time and attention to other matters deemed necessary for good corporate governance. Each Committee member is expected to become familiar with the Committee’s responsibilities. Accordingly, each member should develop a basic understanding of: (a) the principal governance, compliance, nominating and evaluation plans, strategies and objectives of the Corporation and (b) the legal requirements and best practices for those areas.
- 3.3. *Independence.* The independence (as defined in Section 2.3) of each individual considered for membership on the Committee shall be taken into account in order to satisfy Section 2.2.
- 3.4. *Appointment; Removal.* All members of the Committee shall be appointed by the Board of Directors. The Committee Chair will be appointed by the Board of Directors. Any Committee member may be removed by action of the Board of Directors at any time for any reason.
- 3.5. *Resignations.* Any member of the Committee may resign as a Committee member at any time. It is expected that the resigning member will resign

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in writing and will give appropriate notice to the Committee Chair of his or her intention to resign.

4. Compensation.

4.1. *Compensation.* The compensation for service on the Committee shall be determined by the Board of Directors.

4.2. *Expense Reimbursement.* Committee members will be reimbursed for all reasonable expenses incurred while attending Committee meetings, training of the Committee or otherwise at the request of the Board of Directors.

5. Committee Meeting Procedures.

5.1. *Frequency and Length of Meetings.* The Committee will meet at least once each quarter. The length of the meetings will be determined by the agenda.

5.2. *Setting Agendas.* The Committee Chair will establish the agenda for each Committee meeting. Any Committee member may suggest the addition of other items on the agenda.

5.3. *Attendance Expectations.* All Committee members are expected to attend all the meetings of the Committee.

5.4. *Advanced Distribution of Committee Materials.* Information that is important to the Committee's understanding of the specific matters to be discussed at the Committee meeting should be distributed by the Committee Chair or management in writing to the Committee at least 48 hours before the Committee meeting. This material should be concise, well-organized and supported by any background data necessary to place the information in context. Presentations on specific subjects to the Committee should be sent to Committee members in writing in advance so that Committee meeting time may be conserved and discussion time may be focused on questions that the Committee has about the material. For highly sensitive matters, the content may be discussed at the meeting without any prior written materials.

5.5. *Attendance by Non-Members.* The Committee may, from time to time, invite other members of the Board of Directors, senior management or other employees of the Corporation into Committee meetings to provide additional insight into the matters being discussed because of their personal involvement in or knowledge about these matters.

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- 5.6. *Quorum.* At all Committee meetings, a majority of the total number of the Committee's members shall constitute a quorum for the transaction of business.
- 5.7. *Minutes.* The Committee Chair will designate someone to record the minutes of each Committee meeting. All minutes shall be filed with the Corporation's records and maintained in the same manner as the minutes of the meetings of the Board of Directors.
6. **Committee Action Without a Meeting.**
- 6.1. *Written Consent.* The Committee may take any action by unanimous written consent that the Committee might take at a meeting.
- 6.2. *Filing of Written Consent.* Any written consent of the Committee pursuant to Section 6.1 shall be filed with the Corporation's records and maintained in the same manner as the minutes of the meetings of the Board of Directors.
7. **Committee Performance.**
- 7.1. *Assessment of Committee Effectiveness.* The Governance and Nominating Committee will provide an annual assessment to the Board of Directors of each Committee's performance. The Executive Committee will conduct an annual assessment of the Governance and Nominating Committee.
8. **Committee Relationships.**
- 8.1. *Interaction with Management.* The Committee will have complete access to the Corporation's management to discuss matters or request information relating to the Committee's responsibilities.
- 8.2. *Access to Independent Auditors and Outside Legal Counsel.* The Committee will have full access to the designated outside legal counsel, independent auditors or to any other consultants deemed beneficial by the Committee.
9. **Leadership Development.**
- 9.1 *Committee Development.* In addition to training received as members of the Board of Directors, selected members of the Committee may receive

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targeted training. The Chair of the Board of Directors will approve all training.

10. Amendments to Charter.

10.1. *Amendments.* This Charter may be amended or repealed by action of the Board of Directors at any time.