

## **Purpose**

The purpose of the Corporate Governance Committee includes (a) recommending to the Board corporate governance guidelines applicable to the Company; (b) leading the Board in its annual review of the Board's performance; and through and based on the recommendations of the Nominating Subcommittee, identifying individuals qualified to become Board members consistent with criteria approved by the Board, and recommending to the Board director nominees for election at the annual shareholders' meeting.

## **Members**

The Corporate Governance Committee shall consist of at least two of the Board who satisfy the independence requirements of the Archipelago Exchange ("ArcaEx"), as such requirements are interpreted by the Board in its business judgment. The Board shall designate one member as Chairman or delegate authority to designate a Chairman to the Corporate Governance Committee.

## **Outside Advisors**

The Corporate Governance Committee shall have the authority to retain such outside consultants or advisors as it determines appropriate to assist it in the performance of its functions, or to advise or inform the Committee, including sole authority to retain and terminate any search firm used to identify director candidates, and to approve the search firm's fees and other retention terms.

## **Duties and Responsibilities**

The functions of the Committee, on behalf of the Board, shall include having responsibility to:

1. Adopt, regularly monitor and recommend to the Board any modifications of the Principles of Corporate Governance which may be necessary.
2. Recommend to the Board the selection and replacement, if necessary, of the CEO, oversee the evaluation of senior management, and periodically evaluate the performance of the CEO in light of corporate goals as well as objectives established by the Compensation Committee. In addition, the Committee will annually evaluate the performance of the Board as a whole.
3. Conclude each Committee meeting with an executive session .
4. Form from its ranks a Nominating Subcommittee consisting of the Chair of the Corporate Governance Committee, plus three members, selected by the Chair of the Corporate Governance Committee, to recommend to the full Committee:
  - a. Process and criteria for selection of new directors and nominees for vacancies on the Board.
  - b. Candidates for Board memberships and for the positions of CEO, Chairman and Chair of the Corporate Governance Committee.

- c. A decision on the tendered resignation of a director for reason of change of employment.
  - d. To evaluate the performance of any director whose term is expiring and whether such director should be invited to stand for reelection.
5. Act on recommendations made by the Nominating Subcommittee.
6. Establish any Special Committee which may be necessary to properly govern ethical, legal or other matters which might arise.
7. Review and approve for all meetings of the Board and all committees an annual calendar recommended by the Chairman and CEO.
8. Review and determine the philosophy underlying directors' compensation and be informed regarding the Compensation Committee's actions in approving executive compensation and the underlying philosophy for it.
9. Review the Corporate Governance Committee's own performance annually and review this Charter annually and recommend any changes to the Board for approval.

### **Meetings**

The Corporate Governance Committee and Nominating Subcommittee shall meet as often as may be deemed necessary or appropriate in their respective judgments, but not less frequently than 2 times annually, either in person or telephonically, and at such times and places as they shall determine. The Committee and Subcommittee may request any officer or employee of the Company or the Company's outside counsel to attend meetings or to meet with any members of or consultants to, the Committee or Subcommittee. The Corporate Governance Committee shall report its activities to the Board regularly.