

# NOMINATING & GOVERNANCE COMMITTEE CHARTER



## I. PURPOSE

The Nominating & Governance Committee is appointed by the Board to play a leadership role in the company's corporate governance, in accordance with the relevant provisions of the Delaware General Corporate Law, the rules and regulations of the U.S. Securities and Exchange Commission, and NASDAQ Stock Market Rules.

## II. DUTIES AND RESPONSIBILITIES

The operation of the Committee will be subject to the provisions of the Company Bylaws and delegation of authority from the Board of Directors. The duties and responsibilities of the Committee shall include the following, and may be modified from time to time by the decision of the Board:

### 1. Board Membership & Succession

- a. Establish criteria and qualifications for Board membership, including standards for assessing independence;
- b. Identify, select, and recruit individuals qualified to become Board members, consistent with the competencies and criteria approved by the Board of Directors;
- c. Recommend the director-nominee slate to the Board to be voted on at the Annual Stockholder Meeting; and, when needed, recommend to the Board individuals to fill vacancies occurring between annual stockholder meetings;
- d. Develop and execute an on-going Board succession plan;
- e. Oversee the orientation of new directors and continuing education of directors.

### 2. Board Governance

- a. Develop, recommend to the Board, and periodically review a set of corporate governance principles applicable to the company;
- b. Oversee, with recommendation from the Board Chairman, assignment of Board members to standing and other committees of the Board; in accordance with the Board's delegation authority to its committees;
- c. Oversee the evaluation of the effectiveness of the Board and its committees. With an objective of increasing the Board's effectiveness, periodically review and evaluate individual Board members, and their contribution to the Board, including the assessment of their skills and competencies against Board's objectives, factoring in experience, judgment, integrity, diversity and other similar qualities.
- d. Consider questions of possible conflicts of interest of Board members and senior executives, in collaboration with the Audit Committee, and initiate appropriate action to address any such conflicts;
- e. Annually review the Committee Charter and amend as appropriate, consistent with the Board's delegation of authority to the Committee; and
- f. Annually review other Committee charters, making recommendations to the Board and other committee chairs on the

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scope of the charters, as they reflect the delegated authority from the Board.

### **3. Management Succession**

- a. Review periodically with the Chairman/CEO and the Board, the succession plans relating to the positions held by senior executives.
- b. Provide oversight for development of senior members of management to support its succession planning.

### **III. RESOURCES AND AUTHORITY**

The Committee shall have the authority to take appropriate actions necessary to discharge its responsibilities, and shall have access to resources to do so. The Committee may retain outside counsel, and other advisors to assist in the performance of its functions. The Committee may retain any search firm to be used to identify director candidates. The Committee members may seek and receive any information from management and other company employees as it deems appropriate in the fulfillment of its functions.

### **IV. COMPOSITION**

The Nominating & Governance Committee shall consist of at least two members, each of whom shall meet the independence requirements of the NASDAQ Stock Market. The members of the Committee shall serve at the discretion of the Board. The chair of the Committee shall be appointed by the Board Chairman, in consultation with other independent directors of the Board.

### **V. MEETINGS**

1. The Nominating & Governance Committee shall meet at least twice annually, and more

often as may be deemed necessary or appropriate in its judgment, either in person or telephonically, and at such times and places as the Chairman of the Committee shall determine.

2. In addition to the meetings, the Committee may act by unanimous written consent with proper materials provided to take an informed decision.
3. The Committee may invite members of management and outside consultants to participate in its meetings, provided however, that it shall also meet in the executive session (with only Committee members present) as appropriate.

### **VI. MINUTES AND REPORTS**

The Committee may rely on the Corporate Secretary to produce the minutes of each meeting (except the Executive Sessions where the Committee shall have discretion to keep or not to keep minutes as it deems appropriate). The minutes of all meetings shall be reviewed and approved (with modifications as necessary) by the Committee members. The Committee shall produce a summary of the actions taken at each Committee meeting and shall present them to the Board at the next regularly scheduled Board meeting.

***Revised June 2015***