

JEFFERSON COUNTY CIVIC FACILITY DEVELOPMENT CORPORATION

GOVERNANCE COMMITTEE CHARTER

Adopted 5/3/2012 ó Review Date 10/01/20

Purpose

Pursuant to the By-laws of Jefferson County Civic Facility Development Corporation (the "Corporation"), and in accordance with the Public Authorities Accountability Act of 2005 and Public Authority reform Act of 2009, there is established a Governance Committee of the Corporation whose purposes shall include:

- É Keeping the Corporation Board informed of current best practices in corporate governance;
- É Reviewing corporate governance trends for their applicability to the Corporation,
- É Updating the Corporation's corporate governance principles and governance practices; and
- É Advising those responsible for appointing directors to the Corporation Board on the skills, qualities and professional or educational experiences necessary to be effective Corporation Board members.

Powers of the Governance Committee

The Corporation Board has delegated to the Governance Committee the power and authority necessary to discharge its duties, including the right to:

- É Meet with and obtain any information it may require from Corporation staff.
- É Obtain advice and assistance from in-house or outside counsel, accounting and other advisors as the committee deems necessary.
- É Solicit, at the Corporation's expense, persons having special competencies, including legal, accounting or other consultants as the committee deems necessary to fulfill its responsibilities. The governance committee shall have the authority to negotiate the terms and conditions of any contractual relationship subject to the Corporation Board's adopted procurement guidelines as per Public Authorities Law Section 2879, and to present such contracts to the Corporation Board for its approval.

Composition and Selection

The Governance Committee shall be comprised of at least three (3) independent members, with the size of the Governance Committee to be determined by the Corporation Board from time to time. The Governance Committee members shall be appointed by, and will serve at the discretion of the Corporation's Board of Directors. The Corporation Board may designate one member of the Governance Committee as its Chair. The members shall serve until their resignation, retirement, removal by the Corporation Board or until their successors shall be appointed and qualified. When feasible, the immediate past Governance Committee Chair will

continue serving as a member of the Governance Committee for at least one year to ensure an orderly transition.

The Governance Committee shall consist of at least three independent members as defined by the Public Authorities Accountability Act of 2005 and shall be prohibited from being an employee of the Corporation or an immediate family member of an employee of the Corporation. In addition, governance committee members shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation.

The Governance Committee members should be knowledgeable or become knowledgeable in matters pertaining to governance.

Committee Structure and Meetings

The Governance Committee will meet a minimum of twice a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. All committee members are expected to attend each meeting, in person or via videoconference.

Meeting agendas will be prepared for every meeting and provided to the governance committee members at least five days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The governance committee shall act only on the affirmative vote of a majority of the members at a meeting. Minutes of these meetings are to be recorded.

Reports

The Governance Committee shall:

- É Report its actions and recommendations to the Corporation Board at the next regular meeting of the Board.
- É Report to the Corporation Board, at least annually, regarding any proposed changes to the governance charter or the governance guidelines.
- É Provide a self-evaluation of the governance committee's functions on an annual basis.

Responsibilities

To accomplish the objectives of good governance and accountability, the governance committee has responsibilities related to:

- (a) the Corporation's Board;

- (b) evaluation of the Corporation's by-laws and policies;
- (c) examine ethical and conflicts of interest;
- (d) perform board self-evaluations; and
- (e) other miscellaneous issues.

Relationship to the Corporation's Board

The Corporation Board has delegated to the Governance Committee the responsibility to review, develop, draft, revise or oversee policies and practices for which the governance committee has specific expertise, as follows:

- É Develop the Corporation's governance practices. These practices should address transparency, independence, accountability, fiduciary responsibilities, and management oversight.
- É Develop the competencies and personal attributes required of Corporation Directors to assist those authorized to appoint members to the Board in identifying qualified individuals.

In addition, the governance committee shall:

- É Develop and recommend to the Corporation Board the number and structure of committees to be created by the Board.
- É Develop and provide recommendations to the Corporation Board regarding Board member education, including new member orientation and regularly scheduled board member training to be obtained from state-approved trainers.
- É Develop and provide recommendations to the Board on performance evaluations, including coordination and oversight of such evaluations of the board, its committees and senior management in the Corporation's governance process.

Evaluation of the Corporation's Policies

The Governance Committee shall:

- É Develop, review on a regular basis, and update as necessary the Corporation's code of ethics and written policies regarding conflicts of interest. Such code of ethics and policies shall be at least as stringent as the laws, rules, regulations and policies applicable to state officers and employees.
- É Develop and recommend to the Corporation Board any required revisions to the Corporation's written policies regarding the protection of whistleblowers from retaliation.
- É Develop and recommend to the Corporation Board any required revisions to the Corporation's equal opportunity and affirmative action policies.

- É Develop and recommend to the Corporation Board any required updates on the Corporation's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Corporation's procurement process.
- É Develop and recommend to the Corporation Board any required updates on the Corporation's written policies regarding the disposition of real and personal property.
- É Develop and recommend to the Corporation Board any other policies or documents relating to the governance of the Corporation, including rules and procedures for conducting the business of the Corporation's Board, such as the Corporation's By-laws. The Governance Committee will oversee the implementation and effectiveness of the By-laws and other governance documents and recommend modifications as needed.

Other Responsibilities

The Governance Committee shall:

- É Review on an annual basis the compensation and benefits for the senior Corporation officials.
- É Annually review, assess and make necessary changes to the Governance Committee charter and provide a self-evaluation of the governance committee.
- É Examine ethical questions and conflicts of interest.