

Ontario County Industrial Development Agency Governance Committee Charter

Adopted January 28, 2008
Amended November 19, 2012

This Governance Committee Charter was adopted by the Governance Committee of the Ontario County Industrial Development Agency (OCIDA), a public benefit corporation established under the laws of the State of New York, on the 28th day of January, 2008 and amended this 19th day of November, 2012.

Purpose

Pursuant to Article IV, Section 3 of the OCIDA's bylaws, the purpose of the governance committee is to assist the Board by:

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

Powers of the Governance Committee

The Board of directors has delegated to the governance committee the power and authority necessary to discharge its duties, including the right to:

- Meet with and obtain any information it may require from OCIDA staff.
- Obtain advice and assistance from in-house or outside counsel, accounting and other advisors, as the committee deems necessary.
- Solicit, at OCIDA'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 Board's adopted procurement guidelines as per Public Authorities Law Section 2879, and to present such contracts to the Board for its approval.

Composition and Selection

The membership of the committee shall be as set forth in accordance with and pursuant to the General Information and Governance section of the OCIDA's policies and procedures manual. The governance committee shall be comprised of at least (3) and no more than (5) independent members as determined by the Board of Directors. The governance

committee members shall be appointed by, and will serve at the discretion of the OCIDA Board of Directors. The Board may designate one member of the governance committee as its Chair. The members shall serve until their resignation, retirements, removal by the 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 Committee for at least one year to ensure an orderly transition.

Governance committee members shall be prohibited from being an employee of the OCIDA or an immediate family member of an employee of the OCIDA. In addition, governance committee members shall not engage in any private business transactions with the OCIDA or receive compensation from any private entity that has material business relationships with the OCIDA, or be an immediate family members of an individual that engages in private business transactions with the OCIDA or receives compensation from an entity that has material business relationships with the OCIDA.

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 charger. All committee members are expected to attend each meeting, in person or via telephone or 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 or by unanimous consent. Minutes of these meetings are to be recorded.

Reports

The governance committee shall:

- Report its actions and recommendations to the Board at the next regular meeting of the Board.
- Report to the Board, at least annually, regarding any proposed changes to the governance charter or the governance guidelines.
- 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 OCIDA's Board; (b) evaluation of the OCIDA's policies; and (c) other miscellaneous issues.

Relationship to the OCIDA's Board

The Board of Directors 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:

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

In addition, the governance committee shall:

- Develop and recommend to the Board the number and structure of committees to be created by the Board.
- Develop and provide recommendations to the Board regarding Board member education, including new member orientation.
- Develop and provide recommendations to the Board on performance evaluations, including coordination of such evaluation of the board, its committees and senior management in the OCIDA's governance process.

Evaluation of the OCIDA's Policies

The governance committee shall:

- Develop, review on a regular basis, and update as necessary the OCIDA'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.
- Develop and recommend to the Board any required revisions to the OCIDA's written policies regarding the protection of whistleblowers from retaliation.
- Develop and recommend to the Board any required revisions to the OCIDA's equal opportunity and affirmative action policies.
- Develop and recommend to the Board any required updates on the OCIDA's written policies regarding procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the OCIDA's procurement process.

- Develop and recommend to the Board any required updates on the OCIDA's written policies regarding the disposition of real and personal property.
- Develop and recommend to the Board any other policies or documents relating to the governance of the OCIDA, including rules and procedures for conducting the business of the OCIDA's Board, such as the OCIDA'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:

- Review on an annual basis the compensation and benefits for the Managing Director and other senior OCIDA officials.
- Annually review, assess and make necessary changes to the governance committee charter and provide a self-evaluation of the governance committee.