



RELIABILITY FIRST

PUBLIC

## Agenda

### Board of Directors • Nominating & Governance Committee

April 26, 2023 • 3:10 PM – 5:10 PM (EDT)

ReliabilityFirst Corporation

3 Summit Park Drive

Cleveland, OH 44131

Room: 5<sup>th</sup> Floor, Franklin

Attire: Business Casual

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#### Open Agenda

1. **Call to Order** – Courtney Geduldig, Chair
2. **Appoint Secretary to Record Minutes** – Courtney Geduldig, Chair
3. **Antitrust Statement** – Niki Schaefer
4. **Approve Nominating & Governance Committee Meeting Minutes**  
Presenter: Courtney Geduldig, Chair  
Reference: [Draft Minutes from December 7, 2022 Nominating & Governance Committee Meeting](#)  
Action: **Approve Minutes**
5. **Timetable of Key ReliabilityFirst Events**  
Presenter: Chelsey Eppich, Senior Counsel  
Description: Ms. Eppich will present the Nominating and Governance Committee 2023 Timetable of Key Events for review and discussion.  
Reference: [Timetable of Key Events](#)  
Action: Information and Discussion
6. **Industry Sector Elections**  
Presenter: Chelsey Eppich, Senior Counsel  
Description: Ms. Eppich will present the Resolution 2023-1 to hold the Industry Sector elections for expiring director terms in the Small LSE and Supplier Sector and to replace recently resigned director in the Medium LSE Sector.  
Reference: [Resolution 2023-1](#)  
Action: **Endorse Resolution 2023-1 for Board Approval**
7. **2023 Charter Discussion**  
Presenter: Kristen Senk, Director Legal and Enforcement and Chair Geduldig  
Description: Ms. Senk will provide an overview of the planned changes to the Board Committee Charters and present proposed changes to the Committee Charter. Chair Geduldig will lead a discussion of the changes.  
Reference: a) [Summary of Proposed Charter Changes](#)  
b) [Charter - redline](#)

- Action: Information and Discussion
- 8. Next Meetings:**  
August 23, RF Offices
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### Closed Agenda

- 9.. Replace Vice Chair**  
Presenter: Courtney Geduldig, Chair  
Description: The Committee will discuss and nominate a replacement for the Committee Vice Chair.  
Reference: None  
Action: **Endorse Committee Vice Chair for Board Approval**
- 10. 2023 Board Training**  
Presenter: Kristen Senk, Director Legal and Enforcement  
Description: Ms. Senk will review recent training and present the plan for the rest of the year.  
Reference: Training  
Action: Information and Discussion
- 11. Stakeholder Advisory and Technical Committee Updates**  
Presenter: Kristen Senk, Director Legal and Enforcement  
Description: Ms. Senk will present an overview of the current oversight of the Stakeholder Advisory and Technical committees and reference changes underway. The Committee will discuss proceeding with oversight for 2023 in light of the Stakeholder Advisory Committee changes and planned changes to Board oversight.  
Reference: Summary of Stakeholder Advisory and Technical Committee Updates  
Action: Information and Discussion
- 12. Adjourn**

## Roster • Nominating & Governance Committee

Courtney Geduldig, **Chair** • Independent  
Lesley Evancho • Independent (2025)  
Scott Hipkins • FirstEnergy (T • 2024)  
Jason Marshall • Wabash Valley Power Association (S-LSE • 2023)  
Rachel Snead • Dominion Resources Services, Inc. (S • 2024)

# **Draft Minutes from December 7, 2022 Nominating & Governance Committee Meeting**



RELIABILITY FIRST

## **DRAFT Minutes**

### **Board of Directors • Nominating & Governance Committee**

December 7, 2022 • 3:10 PM – 5:10 PM (EDT)

Ritz Carlton, Pentagon City  
1250 S. Hayes Street  
Arlington, VA 22202

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#### **Open Session**

**Call to Order** – Chair Joanna Burkey called to order a duly noticed open meeting of the Nominating & Governance Committee (Committee) on December 7, 2022, at 3:34 pm (ET). A quorum was present, consisting of the following members of the Committee: Chair Joanna Burkey; Scott Hipkins; Jason Marshall; and Rachel Snead. A list of others present during the Committee meeting is set forth in Attachment A.

**Appoint Secretary to Record Minutes** – Chair Burkey designated Kristen Senk, RF's Director of Legal & Enforcement, as secretary to record the meeting minutes.

**Antitrust Statement** – Ms. Senk advised all present that this meeting is subject to, and all attendees must adhere to, ReliabilityFirst's (RF) Antitrust Compliance Guidelines.

**Approve Minutes from the Nominating & Governance Committee Meeting** – Chair Burkey presented draft minutes from the meetings on August 24 and October 18 of 2022, which were included in the agenda package. Upon a motion duly made and seconded, the Committee approved the minutes with a minor change to attendance.

**Timetable of Key ReliabilityFirst Events** - Chelsey Eppich, Managing Corporate Counsel, reviewed the Timetable of Key ReliabilityFirst events. She highlighted the Special Election for the Transmission Sector and previewed the Committee Charter reviews, Committee assignments, and the election that will take place at the Annual Meeting of Members.

**Review of Performance of Activities and Committee Charter** – Ms. Eppich presented the Committee Charter for discussion and noted that the Summary of Performance of Specific Duties for 2022 confirmed that all required Committee Charter activities will be performed for the year at the completion of the Board meeting tomorrow. The Committee did not identify any needed changes to the Committee Charter, and accepted the Summary of Performance of Specific Duties for 2022.

**Next Meeting** – Chair Burkey noted that the next Committee meeting will occur on April 26, 2023.

The Committee then went into closed session at 3:42 pm (ET). All guests excused themselves from the meeting at this time.

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## Closed Session

**2023 Chair and Committee Assignments** – Chair Burkey led a discussion on the candidates for Board Chair, Board Vice Chair, and Lead Independent Director for 2023. The Committee also discussed the time commitment and level of engagement needed for the three roles. Chair Burkey noted that Pat Cass has been working closely with the current Lead Independent Director and is ready to step into that role. Upon a motion duly made and seconded, the Committee nominated Antonio Smyth as the 2023 Board Chair, Nelson Peeler as the 2023 Board Vice Chair, and Pat Cass as the Lead Independent Director.

Chair Burkey shared the proposed Committee assignments and led a discussion on them. The Committee discussed the Independent Directors serving as Committee Chairs, and the Board Chair also providing Committee leadership. The Committee also discussed the number of Directors on each Committee and the need to ensure quorum, and agreed to evaluate the maximum number of Directors per Committee in the coming year after evaluating the attendance levels post pandemic.

The Committee discussed and agreed to continue to examine the proper balance between new Directors and existing Directors serving on each of the Committees. Chair Burkey shared that the Independent Directors were meeting to plan the coming year. There was also discussion on ensuring the restrictions on closed Committees meetings are sufficiently clear. Upon a motion duly made and seconded, the Committee endorsed the Board Committee assignments for 2023 (attached).

**Director Training Discussion** –Chair Burkey led a discussion on Board training topics for the Directors for the coming year, noting that the Board always receives fiduciary duty training each year. The Committee discussed several proposed ideas, including continuing the “behind the curtain” trainings, which in the past have covered enforcement and compliance monitoring and could cover risk analysis and mitigation as the next installment.

Other training topics considered included human performance, the BES Definition changes, FERC Order 222, internal controls (either in conjunction with the annual RF internal controls training, or in a separate training for the Board), and an ITC substation tour. The Committee discussed additional touring opportunities, noting the positive experience during the tour of the Eaton customer support center. The Committee also discussed offering opportunities for Directors to repeat Board training events, as well as keeping a collection of recorded trainings or a library of materials.

**Adjourn** – Upon a motion duly made and seconded, Chair Burkey adjourned the Committee meeting at 4:31 pm (ET).

**Nominating and Governance Committee Minutes  
December 7, 2022**

As approved on this 26<sup>th</sup> day of April, 2023 by the  
Nominating and Governance Committee,

Niki Schaefer  
*Vice President General Counsel & Corporate  
Secretary*

## Attachment A

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### Others Present at Nominating and Governance Committee Meeting

Chelsey Eppich • ReliabilityFirst  
Lesley Evancho  
Vinit Gupta • ITC  
Erik Johnson • ReliabilityFirst  
Kristen Senk • ReliabilityFirst  
Matt Thomas • ReliabilityFirst  
Jim Uhrin • ReliabilityFirst



## 2023 Committee Assignments

**Board Chair:** Antonio Smyth **Vice Chair:** Nelson Peeler **Lead Independent:** Pat Cass

<p><b><u>Compliance</u></b></p> <p>Joanna Burkey (I) (Chair) Pat Cass (I) (Vice Chair) Courtney Geduldig (I) Lesley Evancho (I) Ken Seiler Jason Marshall Simon Whitelocke</p>	<p><b><u>Compensation</u></b></p> <p>Lesley Evancho (I) (Chair) Ken Seiler (Vice Chair) Pat Cass (I) Courtney Geduldig (I) Joanna Burkey (I) Antonio Smyth Jennifer Sterling</p>
<p><b><u>Finance and Audit</u></b></p> <p>Pat Cass (I) (Chair) Jennifer Sterling (Vice Chair) Nelson Peeler Joe Trentacosta Scott Etnoyer Joanna Burkey (I)</p>	<p><b><u>Nominating/Governance</u></b></p> <p>Courtney Geduldig (I) (Chair) Ben Felton (Vice Chair) Lesley Evancho (I) Jason Marshall Rachel Snead Scott Hipkins</p>

# Timetable of Key Events

**NOMINATING AND GOVERNANCE COMMITTEE  
2023 Timetable of Key Events**

<b>Meeting/Activity Date</b>	<b>Action</b>	<b>Location/ Comment</b>	<b>Owner</b>
January 12, 2023	Distribute Annual Conflict of Interest update request		Staff
January 31, 2023	Annual Conflict of Interest Disclosures Due		Board
February 24, 2023	Onboarding of New Directors	Cleveland, OH	Board/Executive Staff
March 21, 2023	Board of Directors Budget Assumptions Meeting on the 2024 Budget	WebEx	Board/Executive Staff
TBD	Distribute Effectiveness of Organizational Group Surveys (odd years) Distribute Board/Committee Governance surveys to staff and Board (even years)		
April 26, 2023	Committee Meeting - Discuss Effectiveness of Organizational Groups - Review Procedures for Electing Directors and recommend resolution for Industry Sector Elections - Discuss Board Training Plan		NGC
April 27, 2023	Board Meeting - Declare August 3, 2023 Meeting Date to vote and set Record Date of July 2, 2023 to vote for Industry Sector Directors		Board
June 15, 2023	Distribute Individual Director Evaluation of Independent and At-Large Directors to Board and President (as required)		Staff/Board
June 15, 2023	Solicit Nominees for Industry Sector Directors (if necessary)	15 days given to Members to provide Nominees	Staff/Member Entities
June 23, 2023	Cut-Off Date for Sector Director Nominees (Secretary to Report Nominees to Committee Chair)		Staff
July 2, 2023	Record Date for Members to Vote for Industry Sector Directors	Record Date cannot be more than 40 days before date vote is taken	Staff
July 2, 2023	Distribute Telephonic Meeting Notice, Nominee Information, Voting Instructions and Proxies to Members for Industry Sector Director Elections (Small LSE, Medium LSE, and Supplier Sectors)	Notice must be provided not less than 5 nor more than 60	Staff

**Key:**

Staff – RF Staff, NGC – Nominating and Governance Committee,  
Board – full RF Board of Directors,  
SCM – Stakeholder Committee Members  
ME – Member Entities



Meeting/Activity Date	Action	Location/Comment	Owner
		days before date vote is taken	
July 11, 2023	Individual Director Evaluation Survey Responses Due		Board/Staff
August 3, 2023	Telephonic Meeting to Vote for Industry Sector Directors (Small LSE, Medium LSE and Supplier Sectors) Directors-elect are declared and Committee is notified		Staff/Member Entities
August 23, 2023	Committee Meets - Review/Recommend Approval of Resolution for Annual Meeting of Members - Discuss At-Large and Independent Directors Nominee Selection Process and Procedure for Electing Directors - Evaluate incumbent At-Large and Independent Directors - Determine whether to re-nominate Independent and/or At-Large incumbents - Nominate At-Large and Independent Director Candidates	Cleveland, OH	NGC
August 24, 2023	Board Meeting - Declare 2023 Annual Meeting of Members to be held December 7, 2023, and Set Record Date to vote at the Annual Meeting	Cleveland, OH	Board
September 30, 2023	Solicit Nominees for At-Large and Independent Directors (if necessary)	15 days given Members to provide Nominees	Staff/ME
October 3, 2023	Distribute Committee Assignments Survey		Staff
October 10, 2023	Cut-Off Date for Sector Director Nominees (Secretary to Report Nominees to Committee Chair)		Staff
October 28, 2023	Record Date for Annual Meeting of Members	Record Date cannot be more than 60 days before date vote is taken	Staff
October 28, 2023	Distribute Notice and Solicit Proxies for Annual Meeting of Members Distribute Voting Procedures, Nominee Information and Voting Instructions to Members	Notice must be provided not less than 5 nor more than 60 days before date vote is taken	Staff
November 2023	Due Date for Committee Assignment Survey		Staff/Board

**Key:**

Staff – RF Staff, NGC – Nominating and Governance Committee,  
 Board – full RF Board of Directors,  
 SCM – Stakeholder Committee Members  
 ME – Member Entities



Meeting/Activity Date	Action	Location/ Comment	Owner
December 6, 2023	Committee Meets - Review Committee Charter - Evaluate Committee Performance - Review 2023 Board Training topic suggestions - Recommend Board Chair & Vice Chair and Lead Independent for 2023 - Recommend to Board Committee Assignments and Chairs/Vice Chairs and Lead Independent for 2023	Washington, DC	NGC
December 7, 2023	Annual Meeting of Members - Election of At-Large and Independent Directors - Overview of 2024 Budget – 2023 Financial Position	Washington, DC	ME
December 7, 2023	Committee Meets Immediately Before Board Meeting (if needed) to Finalize Recommendations of Board Committee Assignments and Chairs for 2024	Washington, DC	NGC
December 7, 2023	Board Meeting - Elect Board Chair & Vice Chair and Independent Lead for 2024 - Approve Board Committee Assignments and Chairs/Vice Chair for 2024 - Appoint Corporate Officers for 2024	Washington, DC	Board

**Key:**

Staff – RF Staff, NGC – Nominating and Governance Committee,

Board – full RF Board of Directors,

SCM – Stakeholder Committee Members

ME – Member Entities

# Resolution 2023-1



RESOLUTION NO. 2023-01

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**Resolution for  
Industry Sector Director Elections**

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**WHEREAS**, the Corporation's Bylaws provide that the Corporation's Industry Sectors may elect sector directors prior to the Annual Meeting of Members;

**WHEREAS**, Medium LSE Sector Director, Ben Felton, resigned from the Board in April and the election for his replacement will be held with the other Industry Sector Elections;

**NOW, THEREFORE, BE IT RESOLVED**, that the election of directors by the Medium LSE, Small LSE and Supplier sectors shall be conducted prior to the 2023 Annual Meeting of Members at a special telephonic meeting to be held on August 3, 2023, at 10:00 a.m., Eastern Time;

**FURTHER RESOLVED**, that the close of business on July 7, 2023 is designated as the record date for the determination of the Regular Members in the respective Industry Sectors entitled to receive notice of, and to vote in, the election;

**FURTHER RESOLVED**, that the nominees submitted by members of each of the Industry Sectors on or prior to June 23, 2023 be submitted to the respective Industry Sectors for election to the Board of Directors for terms expiring as provided in the Bylaws or until their respective successors are duly elected and qualify;

**FURTHER RESOLVED**, that the authorized officers, each acting alone or together with the other, are hereby authorized and directed to solicit and transmit a notice and proxy to each Regular Member entitled to receive notice of, and to vote in, the election;

**FURTHER RESOLVED**, that Niki Schaefer of the Corporation is hereby appointed and authorized to tabulate proxies on behalf of the Corporation and to act as inspectors of election in connection with the Industry Sector Director Elections Meeting;

**FURTHER RESOLVED**, that the President or the Corporate Secretary, or such other officer of the Corporation as may be appointed by them, shall preside at the special meeting;

**FURTHER RESOLVED**, that all actions heretofore taken by the authorized officers of the Corporation in connection with the subject matter of any of the foregoing resolutions be, and they hereby are, approved, confirmed and ratified in all respects; and

**FINALLY RESOLVED**, that the appropriate officers of the Corporation be and they hereby are authorized and directed to take all actions and execute all such documents as they deem necessary or appropriate to effectuate the foregoing resolutions.

As adopted on this 27<sup>th</sup> day of April, 2023 by  
the Board of Directors,

Niki Schaefer  
*Vice President, General Counsel & Corporate  
Secretary*



## SUMMARY

### Summary of Proposed Changes to Board Committee Charters

The Board Executives and Independent Directors met to discuss broadening the Compliance Committee to the Compliance and Risk Committee. It was decided to look at all the charters to ensure holistic risk oversight and to streamline the revisions process since changing a committee name requires formally amending the Bylaws.

Calls were held with the chairs and vice chairs of each Committee to discuss big picture changes and the plan to review the charters and have changes approved by the Board by the December Meeting. The summary is designed to provide the holistic overview as each of the Committees begins to consider the changes to their specific charter. The proposed redlines for April also include minor language updates to increase uniformity and consistency among the four committee charters with language on committee composition, minutes, and other areas where it made sense to align.

#### RISK AND COMPLIANCE COMMITTEE (FORMER COMPLIANCE COMMITTEE)

- **Broaden**
  - **Risks to Grid** - broaden focus to include grid risks beyond compliance, including broader focus on risks in the Regional Risk Assessment; discuss how RF deploys all risk tools (e.g., outreach, CMEP, Standards, registration)
  - **CMEP Strategy** - focus on enforcement and monitoring will relate to big picture strategy
  - **Cyber** - focus on cyber as related to risks in footprint
  - **Oversight** – maintain awareness of FERC/NERC/CCC oversight relating to CMEP program
- **Add**
  - **Stakeholder Advisory and Technical Committees** - expand scope to include overseeing technical committee work (CIPC, Reliability Committee, and subcommittees) *(oversight and effectiveness of Stakeholder Advisory and Technical committees currently with Nom and Gov)*

#### NOMINATING AND GOVERNANCE COMMITTEE

- **Broaden**
  - **Conflicts** - committee will also review directors’ potential conflicts to ensure independence *(previously with staff)*
- **Add**
  - **Hearing Body** - appoint members to Hearing Body under the compliance monitoring and enforcement program’s hearing procedures *(previously with Compliance)*

#### FINANCE AND AUDIT



**RELIABILITY FIRST**

<ul style="list-style-type: none"><li>○ <b>ERM</b> - expand oversight of ERM beyond legal requirements to look at corporate risk (continue to separate detailed discussions of grid risk from corporate risk, but FAC will coordinate with other Committees to ensure risks are addressed)</li></ul>
<p><b>TALENT AND COMPENSATION (FORMER COMPENSATION)</b></p> <ul style="list-style-type: none"><li>● <b>Broaden</b><ul style="list-style-type: none"><li>○ <b>Title</b> - expand title to account for diversity and engagement work</li><li>○ <b>Ensure Charter Actions reflect work being done</b> (diversity and retention updates, and input to FAC on benefits and FTE's).</li></ul></li></ul>
<p><b>FULL BOARD</b></p> <ul style="list-style-type: none"><li>● <b>Significant Risks to Grid will still be discussed</b></li><li>● <b>Agenda items</b></li><li>● <b>Standing items (Security, State Outreach, DEI, Finance)</b></li></ul>



**RELIABILITY FIRST**

## **NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

The Board of Directors of ReliabilityFirst Corporation (“ReliabilityFirst”) has established a Nominating and Governance Committee (the “Committee”) with general responsibility and specific duties as described below.

### **COMPOSITION**

The Committee shall be comprised of four (4) or five (5) directors, of whom one (1) shall be an independent director according to independence standards established under the governance guidelines adopted by the Board (the “Governance Standards”). Committee members shall be elected by the Board at its annual meeting and shall serve until their successors are duly elected and qualified. The Committee shall have a chair and a vice chair. The vice chair shall assume the duties of the chair in the absence of the chair at any meeting. The Committee’s chair and vice-chair shall be designated by the full Board upon the recommendation of the Committee.

### **RESPONSIBILITY**

The primary purpose of the Committee ~~shall be~~ to (i) recommend to the Board corporate governance principles applicable to ReliabilityFirst and any organization groups established by the Board under the Bylaws; ~~(ii) review periodically ReliabilityFirst’s and each organizational group’s corporate governance principles and make any recommended changes, additions or modifications; and (iii) and~~ identify individuals qualified to become at-large and independent Board members and make recommendations for directors’ assignments to the committees of the Board.

**Commented [A1]:** This item is captured in a specific duty below.

The Committee is empowered, without seeking Board approval, to retain persons having special competence, including outside firms and other advisors, as necessary and to approve the fees to assist the Committee in fulfilling its responsibilities. The Committee shall have the sole authority to retain, and approve the fees and other retention terms of, director search, legal and other advisors, as it deems necessary for the fulfillment of its responsibilities.

### **ATTENDANCE AND VOTING**

The Committee shall meet as often as it deems necessary in order to fulfill its duties and responsibilities. Meetings may be called either by the Committee Chair or by a majority of the members of the Committee. Members of the Committee should endeavor to be present, in the designated format, (ie in-person or by electronic communication virtual), at all meetings. Three (3) of the voting members of the Committee shall constitute a quorum. Each member of the Committee, including the chair and vice-chair shall be entitled

to one vote on each matter presented before the Committee. Action by the Committee may be taken at any duly called meeting at which a quorum is present upon the vote of a majority of the members present.

PUBLIC

## MINUTES OF MEETINGS

Minutes of each meeting shall be prepared and sent to Committee members for approval at the next regularly scheduled meeting and thereafter publically posted on ReliabilityFirst's website. ~~and presented to Directors who are not members of the Committee at the next regularly scheduled Board meeting.~~ The Committee's minutes will be kept by the person so designated by the Chair with a copy retained by Secretary of ReliabilityFirst.

## SPECIFIC DUTIES

The Committee will:

1. Facilitate the assessment of (a) an individual sector director's performance in that director's fifth year of service, and every third year thereafter; and (b) an individual at-large or independent director's performance in that director's second year of service, and every third year thereafter.
2. Evaluate the qualifications and performance of incumbent at-large and independent directors and determine whether to nominate them for re-election to the Board.
  - Search for, recruit, screen, interview and select candidates for new at-large and independent directors as necessary to fill vacancies or the additional needs of the Board, and consider management's recommendations for at-large and independent director candidates. ~~The Committee may retain the services of an independent outside consultant to identify director candidates and otherwise provide such advice as the Committee shall deem necessary to the discharge of its duties and responsibilities.~~
3. ~~Nominate for election at-large and independent director candidates.~~
4. Nominate for election at-large and independent director candidates.
5. Establish and periodically reevaluate criteria for Board membership and selection of new at-large and independent directors including independence standards; and determine as necessary the portfolio of skills, experience, ~~perspective~~perspective, and background required for the effective functioning of the Board considering ReliabilityFirst's strategy, and its regulatory, geographic and market environments.
6. At least annually, report to the Board describing the number of candidates considered and other matters of interest relating to nominations to the Board as the Committee shall determine to be appropriate for the Board.

**Commented [A2]:** Language added to responsibilities could replace that unless we want to specifically call it out for this duty.

**Formatted:** List Paragraph, Right: 0.11", Space Before: 0 pt, Outline numbered + Level: 1 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.64" + Indent at: 1.14", Tab stops: 1.14", Left

7. At least annually, in connection with the annual meeting of the Board of Directors, recommend at least one candidate to serve as the Chair of the Board of Directors, at least one candidate to serve as the vice-chair of the Board of Directors, and at least one candidate to serve as the Independent Lead Director.
8. At least annually, in connection with the annual meeting of the Board of Directors, make recommendations for the election of the directors to the Committees of the Board of Directors, and the designation of a chair and vice-chair, if applicable, for each Committee.
9. Recommend to the Board removal of an at-large or independent director where appropriate (the power to remove a director elected by a specific industry sector is reserved in the Bylaws to that industry sector electing such director).
10. ~~Work with staff to ensure~~Ensure that satisfactory background checks have been conducted for all directors prior to their service on the Board in accordance with the Governance Guidelines ~~and to review any potential director conflicts~~.
11. Initiate and oversee a periodic evaluation of (a) the quality, sufficiency and currency of information furnished by management to the directors in connection with Board and Committee meetings and other activities of the directors, (b) the Board's effectiveness, (c) the composition, organization (including its Committee structure, membership and leadership) and practices of the Board, (d) tenure and other policies related to the directors' service on the board, and (e) corporate governance matters generally; and recommend action to the Board where appropriate.
11. ~~Periodically evaluate (1) the effectiveness of ReliabilityFirst's organizational groups; and (2) the satisfaction of ReliabilityFirst's stakeholders with the performance of the organization. Recommend any follow-up actions to the Board, as appropriate.~~
12. Develop, periodically review, and recommend to the Board corporate governance principles for ReliabilityFirst and any organizational groups established by the Board under the Bylaws.
13. Monitor the orientation and training needs of directors and recommend action to the Board, individual directors, and management where appropriate.

**Commented [A3]:** Note this new addition if any conflicts arise during annual review or throughout the year as disclosed or with nominations.

**Commented [A4]:** Moving to Compliance and Risk

**Commented [A5]:** This leaves corporate governance of organization groups with N&G - but the effectiveness and stakeholder engagement through those groups moves to compliance.

14. Review and approve, prior to acceptance, the service of the President of ReliabilityFirst on any other company's board of directors.
15. Recommend to the Board Membership Application changes, as needed.
16. Perform other functions within the scope of the foregoing, which the Committee deems appropriate to undertake from time to time.
17. Conduct an evaluation of the Committee's performance and charter at least annually, and adopt such Committee Charter changes, as the Committee deems appropriate, subject to approval by the Board.
18. Report regularly to the Board regarding the Committee's activities.

**Commented [A6]:** Consider a broader review of membership?

#### **APPOINTMENT OF ADVISORS**

~~The Committee shall have the sole authority to retain, and approve the fees and other retention terms of, director search, legal and other advisors, as it deems necessary for the fulfillment of its responsibilities.~~

**Commented [A7]:** Added this under Committee responsibilities for consistency with other charters.

As adopted on March 18, 2020 by the Nominating & Governance Committee and approved by the Board of Directors on March 19, 2020.

Robert V. Eckenrod  
Corporate Secretary