

THE EXECUTIVE COMMITTEE

Composition, Functions and Responsibilities

Corporation Code, section 35:

“Section 35. Executive committee. - The by-laws of a corporation may create an executive committee, composed of not less than three members of the board, to be appointed by the board. Said committee may act, by majority vote of all its members, on such specific matters within the competence of the board, as may be delegated to it in the by-laws or on a majority vote of the board, except with respect to: (1) approval of any action for which shareholders' approval is also required; (2) the filing of vacancies in the board; (3) the amendment or repeal of by-laws or the adoption of new by-laws; (4) the amendment or repeal of any resolution of the board which by its express terms is not so amendable or repealable; and (5) a distribution of cash dividends to the shareholders”

By-Laws, Article II, Section 8:

“The Executive Committee shall be composed of at least three (3) directors and such other members as may be appointed by the Board of Directors and shall exercise all the powers of the Board except:

- (a) The approval of any action for which stockholders' approval is required;
- (b) The filling of vacancies in the Board;
- (c) The amendment or repeal of the By-Laws or the adoption of new By-Laws;
- (d) The amendment or repeal of any resolution of the Board of Directors which by its terms is not so amendable or repealable; and
- (e) Distribution of cash dividends to the stockholders.

The act of the majority of the members of the Executive Committee shall be the act of the Executive Committee, Minutes of all proceedings of the Executive Committee shall be kept, and shall be submitted to the Board of Directors for its information.”

New Manual on Corporate Governance, clauses 3 and 3.1:

“3. Establishing Board Committees

Board committees shall be set up to support the performance of the Board's functions, particularly on audit, ERM, RPTs, nomination and remuneration. The composition, functions and responsibilities of all committees, if established, shall be contained in a publicly available committee charter.

3.1 The Board shall establish Board committees that focus on specific Board functions to aid in the optimal performance of its rules and responsibilities.”