



Corporate Governance Guidelines National Association of Corporate Directors Florida Chapter, Inc.

Our Governance

The NACD Florida Chapter (NACDFL) will seek to have a diverse board representing the director constituencies in our chapter. Directors will be nominated to serve based on their knowledge of good governance practices, experience as directors, ability to serve, their personal commitment to our chapter, stature in our state, and our mission of advancing exemplary board leadership.

By identifying and nominating an engaged, knowledgeable and committed group of directors who are ambassadors of NACD, we will be able to provide strong programming for our membership, visibility in the community, appropriate committee leadership, active participation and an effective succession process.

Number, Term and Process

The Chapter will have a fifteen (15) member staggered board (5 directors Class I, and 5 directors Class II, and 5 directors Class III) with each director serving a three (3) year term, plus the Board Chairman who is elected annually. Each director may serve up to two (2) terms; terms may be extended for one (1) additional three (3) year period with the unanimous agreement of the Governance/Nominating Committee. Directors may then be reappointed after "sitting out" one year of chapter board service.

A slate of directors for the expiring Class will be nominated annually by the Governance/ Nominating Committee and ratified by the full board. Election will be by a majority of votes cast by chapter directors.

The Governance/Nominating Committee will solicit suggestions for nominations, including self-nomination and volunteers, annually from the board and current NACD members residing in the state of Florida.

Advisory Board

The Chapter board will nominate and select an Advisory Board which can be comprised of members and sponsor representatives. These members, the number determined by the Chapter board annually, will serve a one (1) year term that can be renewed by vote of the Chapter board annually. Each Advisory Board member is expected to play an active role on at least one board committee and assist in program development.

Committees

The Chapter board will have five (5) standing committees – Governance/Nominating, Audit, Programs, Sponsorship, and Marketing/Membership. Each committee except Audit shall have at least three (3) members, one (1) of whom must be a chapter director.

The Audit Committee will be composed of two (2) people, the President and an auditor designated by one of the Chapter's sponsoring audit firms, normally the representative of the firm responsible for the relationship.

Ad Hoc Committees can be created by the Chair or President as needed.

Board Meetings

The Chapter Board will meet four (4) times per year, dates to be set each year. One meeting will elect officers and directors and celebrate the past year's success. Additional meetings may be called by the Chair or President as needed.

Role of the Board

The Chapter board will provide leadership and vision for our chapter – long-term direction, alignment of interests and efforts, inspiration and motivation and toward the accomplishment of extraordinary results. The board will review and approve the goals, strategies, and policies of our chapter. During board meetings, they will discuss, assess and constructively critique the performance of our program, membership and sponsorship committees and also our financial status, based on materials provided to directors at least the Friday before the meeting. The board will also review and approve the establishment of longer-term goals, ensure that the resources are provided and monitor progress towards these goals.

Role of Individual Directors

All directors are expected to contribute to achieving the chapter mission through a combination of active participation and talent. All directors, including the board Chair and chapter President will actively promote the mission of the chapter and act as ambassadors for NACD. Each director is expected to actively serve on at least one (1) board committee.

Role of the Board Chair

Our board Chair will be elected annually. The role of the Chair will depend on the background and experience of the person selected. For example, if the Chair is a person with a very public presence in the State and holds a full time leadership role in another entity, he or she may play mainly a marketing/PR and recruitment of new directors role.

If the Chair is a Past President of the chapter, the role may be a more active one; for example, ensuring that the chapter's character and conduct are consistent with

that of NACD. The Chair, in conjunction with the chapter President, will set board agendas, lead board meetings, ensure that directors have the necessary information to discuss relevant issues and maintain proper board focus.

In the absence of a Chair or if the Chair is a “very public presence” person, the President shall set the agenda, in concert with the other directors, and lead board meetings.

Role of the President

Our chapter President will lead, manage, and be responsible for the operational excellence of the chapter consistent with the chapter mission. Annually, the President will present a measurable set of operating objectives, strategies and tactics for board review and approval. The President will be responsible for implementing this annual operating plan and balanced scorecard criteria, once approved by the board.

The President will work closely with directors, sponsors, board committees and chapter membership to achieve chapter goals. The President will also work closely with the NACD leadership team to ensure alignment of all chapter activities with those of NACD.

The President shall serve a three (3) year term, which may be extended for an additional three (3) year term at the board’s request. The full board nominates and elects the President.

Expanded Leadership Group

To drive inclusiveness, diversity and knowledge expertise, the President may invite others, such as sponsor representatives, who can add significant value to board discussions.

President Succession Planning

One (1) year prior to the expiration of the term of the chapter President, the Governance/ Nominating Committee will identify a successor and present that recommendation to the full board for approval.

Governance/Nominating Committee

The committee will be composed of three (3) members: Chapter President, one (1) independent director and one (1) representative from the chapter sponsors. The committee will meet periodically to discuss board and director performance, identification of potential new board members and chapter President succession planning. It will propose a slate of directors for the coming year by March 1 each year.

Effective Date

These Corporate Governance Guidelines will become effective on July 1, 2012. All terms outlined above shall start from that date.

Legal and Ethical Conduct

The Board is responsible for establishing policies and programs to ensure that NACD activities are conducted in a legal and ethical manner. Among its other duties, the Audit Committee assists the Board in fulfilling its oversight responsibility relating to finance, accounting, and legal and regulatory compliance, laws, and regulations. The Governance /Nominating Committee recommends for Board approval a Conflict of Interest policy and a Code of Ethics. The Audit Committee recommends a Whistleblower Protection Policy and a Record Retention and Document Destruction Policy for Board approval. The Audit Committee and the Governance/Nominating Committee have shared responsibility with regard to reviewing and monitoring compliance with laws, regulations and NACD policies.

Conflicts of Interest

All Directors, officers, and independent contractors must comply with the provisions of NACD's Conflict of Interest Policy and its Code of Ethics. It is the responsibility of each Director to advise the Chairman of the Board and the Governance/Nominating Committee of any affiliation, relationship or transaction that may create a conflict of interest with NACD.

A Director's relationships, including business, family or other nonprofit organizations, may occasionally give rise to that Director's material personal interest on a particular issue involving NACDFL. The Board, after consultation with outside counsel, if necessary, will review the matter on a case-by-case basis and determine whether such a conflict of interest exists. The Board may delegate the initial investigation of a potential conflict to the Governance/Nominating Committee. The Board takes appropriate steps to identify such potential conflicts and to ensure that all Directors voting on an issue are disinterested with respect to that issue.

Code of Ethics

The Board is responsible for overseeing corporate ethics. All Directors, officers and independent contractors are expected to adhere to the highest ethical standards. Compliance with the law is the minimum standard of behavior and not the maximum level of conduct that NACDFL expects from its Directors, officers and independent contractors. All Directors are expected to comply with the NACDFL Code of Ethics.

Whistleblower Protection Policy

It is the policy of the Board that all Directors, officers and independent contractors are responsible for complying with NACDFL's Whistleblower Protection Policy and to report violations and suspected violations in accordance with the policy. NACDFL expects all Directors and independent contractors to be honest and to adhere to the

NACDFL Code of Ethics, and it does not condone any activity that is illegal or improper, whether engaged in by a Director or independent contractor. Any Director, officer, or independent contractor who in good faith reports any activity believed to be illegal or improper to the Chairman of the Board, President, Chairman of the Audit Committee or Chairman of the Governance/Nominating Committee, will be protected against retaliatory actions.

Directors should familiarize themselves with the Whistleblower Protection Policy and procedures. Complaints may be submitted on a confidential or anonymous basis and reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

Record Retention and Document Destruction Policy

It is the policy of NACD to retain records, including paper records, electronic files and voicemails, for the period of their immediate or current use, unless longer retention is necessary for historical reference or to comply with contractual or legal requirements. It is also the policy of NACDFL to not knowingly destroy a document, if the destruction would result in a violation of 18 U.S.C. §1519 and the Sarbanes-Oxley Act. A formal, written Record Retention and Document Destruction Policy will be distributed to all Directors and independent contractors.