

AUDIT COMMITTEE CHARTER
OF
QUANTUM FUEL SYSTEMS TECHNOLOGIES WORLDWIDE, INC.

(adopted July 15, 2004)

Purposes, Authority & Funding

The audit committee (the "Committee") of the Board of Directors (the "Board") of Quantum Fuel Systems Technologies Worldwide, Inc., a Delaware corporation (the "Company"), is appointed by the Board for the purpose of overseeing the Company's accounting and financial reporting processes and the audits of the Company's financial statements. In so doing, the Committee shall endeavor to maintain free and open communication between the Company's directors, independent auditor and financial management.

The Committee shall have the authority to retain independent legal, accounting or other advisers as it determines necessary to carry out its duties and, if necessary, to institute special investigations into any matters within the Committee's scope of responsibilities. The Committee may request any officer or employee of the Company, or the Company's outside counsel or independent auditor, to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. Further, the Committee may request any such officer, employee, outside counsel or independent auditor to provide any pertinent information to the Committee or to any other person or entity designated by the Committee.

The Company shall provide the Committee with appropriate funding, as determined by the Committee in its capacity as a committee of the Board, for the payments of: (1) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (2) compensation to any independent advisers retained by the Committee in carrying out its duties; and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

Committee Membership

The members of the Committee (the "Members") shall be appointed by the Board and shall serve at the discretion of the Board. The Committee shall consist of at least three (3) Members, each of which shall be a member of the Board. The following membership requirements shall also apply:

- (i) each Member must be "independent" as defined under the NASD Marketplace Rules;
- (ii) each Member must meet the criteria for independence set forth in Rule 10A-3(b)(1) promulgated under the Securities and Exchange Act of 1934, as amended (the "Act"), subject to the exemptions provided in Rule 10A-3(c) under the Act;
- (iii) each Member must not have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three (3) years;
- (iv) each Member must be able to read and understand fundamental financial statements, including the Company's balance sheet, income statement, and cash flow statement; and
- (v) at least one (1) Member must have past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background which results in such Member's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

Notwithstanding subparagraph (i) above, one (1) director who: (a) is not independent as defined under the NASD Marketplace Rules; (b) meets the criteria set forth in Section 10A(m)(3) under the Act and the rules promulgated thereunder; and (c) is not a current officer or employee of the Company or Family Member (as defined under the NASD Marketplace Rules) of such an officer or employee, may be appointed to the Committee if the

Board, under exceptional and limited circumstances, determines that membership on the Committee by the individual is required by the best interests of the Company and its stockholders. A Member appointed under the exception set forth in the preceding sentence must not serve longer than two (2) years and must not serve as chairperson of the Committee.

If a current Member of the Committee ceases to be independent under the requirements of subparagraphs (i) and (ii) above for reasons outside the Member's reasonable control, the affected Member may remain on the Committee until the earlier of the Company's next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with those requirements. If the membership of the Committee fails to meet the requirements set forth in this "Committee Membership" section of this Charter due to one vacancy on the Committee, and the cure period set forth in the preceding sentence is not otherwise being relied upon for another Member, the Company will have until the earlier of its next annual stockholders meeting or one year from the occurrence of the event that caused the failure to comply with the requirements to rectify such non-compliance.

Duties & Responsibilities

In fulfilling its purposes as stated in this Charter, the Committee shall undertake the specific duties and responsibilities listed below and such other duties and responsibilities as the Board shall from time to time prescribe, and the Committee shall have, subject to any restrictions set forth in the Company's bylaws or under applicable law, all powers necessary and proper to fulfill all such duties and responsibilities. Subject to applicable Board and stockholder approvals, the Committee shall:

Financial Statement & Disclosure Matters

1. Review the policies and procedures adopted by the Company to fulfill its responsibilities regarding the fair and accurate presentation of financial statements in accordance with generally accepted accounting principles ("GAAP") and applicable rules and regulations of the SEC and the National Association of Securities Dealers applicable to Nasdaq-listed issuers;
2. Oversee the Company's accounting and financial reporting processes;
3. Oversee audits of the Company's financial statements;
4. Review major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;
5. Review the Company's annual audited financial statements with management, including a review of major issues regarding accounting and auditing principles and practices, and review the adequacy and effectiveness of internal controls that could significantly affect the Company's financial statements, as well as the adequacy and effectiveness of the Company's disclosure controls and procedures and management's reports thereon;
6. Review with the Company's independent auditor the adequacy of the Company's internal controls;
7. Discuss with management policies with respect to financial risk assessment and risk management, and discuss the Company's major financial risk exposures, such as investment policy, derivative policy and foreign currency exposure, and the steps management has taken to monitor and control such exposures;
8. Review with the Company's independent auditor and management any information regarding "second" opinions sought by management from an independent auditor with respect to the accounting treatment of a particular event or transaction;
9. Review and discuss with management and the Company's independent auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet arrangements and aggregate contractual obligations, on the Company's financial statements;
10. Review and discuss reports from the Company's independent auditor regarding: (a) all critical accounting policies and practices to be used by the Company; (b) all alternative treatments of financial information within GAAP that have been discussed with management, including ramifications of the

use of such alternative disclosures and treatments and the treatment preferred by the independent auditor; and (c) other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences;

11. Review and discuss with management and the Company's independent auditor any report or document containing the Company's financial statements (including the notes thereto and disclosures made under "Management's Discussion and Analysis of Financial Condition and Results of Operations") prior to filing any such report or document with the SEC or releasing any such report or document to the public;
12. Review the Company's earnings press releases (including type and presentation of information), as well as financial information and earnings guidance provided to analysts and ratings agencies;
13. If deemed appropriate, recommend to the Board that the Company's audited financial statements be included in its annual report on Form 10-K for the last fiscal year;
14. Prepare and approve the report required by the rules of the SEC to be included in the Company's annual proxy statement in accordance with the requirements of Item 7(d)(3)(i) of Schedule 14A and Item 306 of Regulation S-K;
15. Meet periodically in executive session with management, with the Company's internal auditors (or other personnel responsible for the internal audit function) and with the Company's independent auditor to discuss any matters that these groups or the Committee believe should be discussed privately with the Committee;

Matters Regarding Oversight of the Company's Independent Auditor

16. Be directly responsible, in its capacity as a committee of the Board, for the appointment, compensation, retention and oversight of the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; provided also that each such registered public accounting firm shall report directly to the Committee;
17. Receive and review at least annually a formal written statement and letter from the Company's independent auditor required by Rule 3600T of the Public Company Accounting Oversight Board ("PCAOB") delineating all relationships between the independent auditor and the Company, consistent with Independence Standards Board Standard 1, as may be modified or supplemented;
18. Engage in a dialogue with the Company's independent auditor with respect to any disclosed relationship or services that may impact the objectivity and independence of the independent auditor;
19. Take, or recommend that the Board take, appropriate action to oversee the independence of the Company's independent auditor;
20. Adopt policies and procedures for review and pre-approval by the Committee of all audit services and permissible non-audit services (including the fees and terms thereof) to be performed by the Company's independent auditor, with exceptions provided for *de minimis* amounts under certain circumstances as permitted by law; provided, however, that the Committee may delegate to one (1) or more Members the authority to grant such pre-approvals, and the pre-approval decisions of any such delegate Member(s) shall be presented to the Committee at its next-scheduled meeting;
21. Discuss with the Company's independent auditor whether such independent auditor: (a) has received an external quality control review by the PCAOB that determines whether the independent auditor's system of quality control is in place and operating effectively and whether established policies and procedures and applicable auditing standards are being followed; or (b) is enrolled in a peer review program and within 18 months receives a peer review that meets acceptable guidelines in accordance with Nasdaq requirements;
22. Meet with the Company's independent auditor prior to its audit to review the planning, scope and staffing of the audit;

23. Discuss with the Company's independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended, by the Auditing Standards Board of the American Institute of Certified Public Accountants, applicable SEC rules, and other applicable standards, as may be modified or supplemented, relating to the conduct of the audit;
24. Review with the Company's independent auditor any audit problems, difficulties or disagreements with management that the independent auditor may have encountered, as well as any management letter provided by the independent auditor and the Company's response to that letter, including a review of: (a) any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information; (b) any changes required in the planned scope of the internal audit; and (c) the Company's internal audit department's responsibilities, budget and staffing;
25. Oversee the rotation of the lead (or coordinating) audit partner of the Company's independent auditor having primary responsibility for the audit and the audit partner responsible for reviewing the audit at least every five (5) years;

Matters Regarding Oversight of Compliance Responsibilities

26. At the request of the Board of Directors, advise the Board with respect to the Company's policies and procedures regarding compliance with applicable laws and regulations;
27. Establish procedures for: (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
28. Review all related party transactions for potential conflict of interest situations on an ongoing basis and approve all such transactions (if such transactions are not approved by another independent body of the Board);
29. Review and address any concerns regarding potentially illegal actions raised by the Company's independent auditor pursuant to Section 10A(b) of the Act, and cause the Company to inform the SEC of any report issued by the Company's independent auditor to the Board regarding such conduct pursuant to Rule 10A-1 under the Act;
30. Obtain from the Company's independent auditor assurance that it has complied with Section 10A of the Act;

Additional Duties & Responsibilities

31. Review and reassess the adequacy of this Charter annually;
32. Report regularly to the Board with respect to the Committee's activities and make recommendations as appropriate;
33. Review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditor (or the performance of the Company's internal audit function);
34. Review with the Company's outside counsel and internal legal counsel any legal or regulatory matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies;
35. Review the Company's policies and procedures with respect to employee expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of this area by the Company's independent auditor; and
36. Take any other actions that the Committee deems necessary or proper to fulfill the purposes and intent of this Charter and to perform such additional functions as may be assigned by law, the Company's certificate of incorporation or bylaws, or the Board;

While the Committee has the responsibilities, duties and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with GAAP. Rather, those duties are the responsibility of management and the independent auditor.

Nothing contained in this Charter is intended to alter or impair the operation of the "business judgment rule" as interpreted by the courts under the Delaware General Corporation Law. Further, nothing contained in this Charter is intended to alter or impair the right of the Members to rely, in discharging their duties and responsibilities, on the records of the Company and on other information presented to the Committee, Board or Company by its officers or employees or by outside experts and advisers such as the Company's independent auditor.

Structure & Meetings

The Committee shall conduct its business and meetings in accordance with this Charter, the Company's bylaws and any direction set forth by the Board. The chairperson of the Committee shall be designated by the Board or, in the absence of such a designation, by a majority of the Members. The designated chairperson shall preside at each meeting of the Committee and, in consultation with the other Members, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. In the absence of the designated chairperson at any meeting of the Committee, the Members present at such meeting shall designate a chairperson *pro tem* to serve in that capacity for the purposes of such meeting (not to include any adjournment thereof) by majority vote. The chairperson (other than a chairperson *pro tem*) shall ensure that the agenda for each meeting is distributed to each Member in advance of the applicable meeting.

The Committee shall meet as often as it determines to be necessary and appropriate, but not less than four times each year. The Committee may establish its own schedule, provided that it shall provide such schedule to the Board in advance. The chairperson of the Committee or a majority of the Members may call special meetings of the Committee upon notice as is required for special meetings of the Board in accordance with the Company's bylaws. A majority of the appointed Members, but not less than two (2) Members, shall constitute a quorum for the transaction of business. Members may participate in a meeting through use of conference telephone or similar communications equipment, so long as all Members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting.

The Committee may meet with any person or entity in executive session as desired by the Committee. The Committee shall meet with the Company's independent auditors, at such times as the Committee deems appropriate, to review the independent auditor's examination and management report.

Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all Members consent thereto in writing and the writing or writings are filed with the minutes of the proceedings of the Committee. The Committee may form and delegate authority to subcommittees when appropriate.

Minutes

The Committee shall maintain written minutes of its meetings, which minutes shall be filed with the minutes of the meetings of the Board.

COMPENSATION COMMITTEE CHARTER
AMENDED AND RESTATED COMPENSATION COMMITTEE CHARTER
OF
QUANTUM FUEL SYSTEMS TECHNOLOGIES WORLDWIDE, INC.

(adopted July 15, 2004)

I. Purpose

The Compensation Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Quantum Fuel Systems Technologies Worldwide, Inc. (the "Company") to: (a) assist the Board in discharging its responsibilities relating to compensation of the Company's directors and executive officers; and (b) to produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations. The Committee shall undertake those specific duties and responsibilities listed below and such other duties as the Board shall from time to time prescribe. All powers of the Committee are subject to the restrictions designated in the Company's Bylaws and by applicable law.

II. Committee Membership

Committee members shall be elected by the Board and shall serve until their successors shall be duly elected and qualified. Committee members may be removed at any time by vote of the Board.

The Committee shall consist of no fewer than two members. Each member of the Committee shall meet the independence requirements of the Nasdaq Stock Market, Inc. ("Nasdaq"), the definition of a "Non-employee Director" under Rule 16b-3 under the Securities Exchange Act of 1934, as amended, the requirements of Section 162(m) of the Internal Revenue Code for "outside directors," and any other applicable regulatory requirements.

III. Structure and Meetings

The Committee shall conduct its business in accordance with this Charter, the Company's Bylaws and any direction by the Board. The Committee Chairperson shall be designated by the Board, or, if it does not do so, the Committee members shall elect a Chairperson by a vote of the majority of the full Committee. In the event of a tie vote on any issue, the Chairperson's vote shall decide the issue.

The Committee shall meet at least twice each year. The Committee may establish its own schedule, which it will provide to the Board in advance. The Chairperson or a majority of the members of the Committee may call meetings of the Committee upon such notice (or waiver of notice) as is required for special Board meetings in accordance with the Company's Bylaws. A majority of the Committee, but not less than two members, shall constitute a quorum for the transaction of business. Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all members of the Committee consent thereto in writing. Any such actions by written consent shall be filed with the minutes of the proceedings of the Committee. As necessary or desirable, the Chairperson of the Committee may require that any director, officer or employee of the Company, or other person whose advice and counsel are sought by the Committee, be present at meetings of the Committee. Members of the Committee may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting.

The Committee Chairperson will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The Chairperson of the Committee (or other member designated by the Chairperson or the Committee in the Chairperson's absence) shall regularly report to the full Board on its

proceedings and any actions that the Committee takes. The Committee will maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Company.

As necessary or desirable, the Chairperson of the Committee may invite any director, officer or employee of the Company, or other persons whose advice and counsel are sought by the Committee, to be present at meetings of the Committee, consistent with the maintenance of confidentiality of compensation discussions. The Chief Executive Officer of the Company (“CEO”) should not be present during voting or deliberations by the Committee relating to the CEO’s performance or compensation.

IV. Committee Authority and Responsibilities

The Committee shall:

- a. Annually review and approve the Company’s corporate goals and objectives relevant to CEO compensation, evaluate the CEO’s performance in light of such goals and objectives, and, either as a Committee or together with the other independent directors (as directed by the Board), determine and approve the CEO’s compensation level based on this evaluation. In determining the long-term incentive component of the CEO’s compensation, the Committee will consider the Company’s performance and relative stockholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the Company’s CEO in past years.
- b. Annually review and approve non-CEO executive officer compensation, incentive-compensation plans and equity based-plans. The Committee shall attempt to ensure that the Company’s compensation program is effective in attracting and retaining key employees, reinforces business strategies and objectives for enhanced stockholder value, and is administered in a fair and equitable manner consistent with established policies and guidelines.
- c. Consult periodically with the CEO and other applicable officers regarding compensation and benefits matters deemed appropriate by them or the members of the Committee.
- d. Identify the performance measures to be used in executive and management incentive plans, and the levels of performance for which incentive compensation is paid.
- e. Administer the Company’s incentive compensation plans and equity based-plans as in effect and as adopted from time to time by the Board; provided that the Board shall retain the ultimate authority to interpret such plans.
- f. Approve any new equity compensation plan or any material change to an existing plan where stockholder approval has not been obtained.
- g. Provide oversight regarding the Company’s retirement, welfare and other benefit plans, policies and arrangements on an as-needed basis.
- h. Approve any stock option award or any other type of award as may be required for complying with any tax, securities, or other regulatory requirement, or otherwise determined to be appropriate or desirable by the Committee or Board.
- i. Annually review and approve for the Company’s executive officers: (i) annual base salary levels; (ii) annual incentive compensation levels; (iii) long-term incentive compensation levels; (iv) employment agreements, severance agreements, and change of control agreements/provisions, in each case as, when and if appropriate; and (v) any supplemental or special benefits.
- j. Perform such other functions and have such other powers consistent with this Charter, the Company’s Bylaws and governing law as the Committee or the Board may deem appropriate.
- k. Produce a Committee report on executive compensation as required to be included in the Company’s annual proxy statement or annual report on Form 10-K filed with the SEC.

V. Performance Evaluation

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee may also perform an annual evaluation of its own performance, which may compare the performance of the Committee with the requirements of this charter. The performance evaluation by the Committee may be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chairperson of the Committee or any other member of the Committee designated by the Committee to make this report.

VI. Committee Resources

The Committee shall be empowered, without the approval of the Board or management, to engage and compensate independent legal, accounting and other advisors, as it determines necessary to carry out its duties. The Committee shall have the sole authority to retain and terminate any consultant that it uses to assist in the Committee's evaluation of director, CEO or senior executive compensation and shall have the sole authority to approve that consultant's fees and other retention terms. The Committee shall receive appropriate funding, as determined by the Committee, from the Company for payment of: (a) compensation to any advisor employed by the Committee; and (b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee may form and delegate authority to subcommittees when appropriate.

NOMINATING AND GOVERNANCE COMMITTEE CHARTER
OF
QUANTUM FUEL SYSTEMS TECHNOLOGIES WORLDWIDE, INC.
(adopted July 15, 2004)

I. Authority and Purpose

The Nominating and Governance Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Quantum Fuel Systems Technologies Worldwide, Inc. (the “Company”) to assist the Board in identifying qualified individuals to become Board members, consistent with criteria approved by the Board, to determine the composition of the Board and its committees, to recommend to the Board the director nominees for the annual meeting of shareholders, to establish and monitor a process of assessing the Board’s effectiveness, and developing and recommending to the Board and implementing a set of corporate governance principals and procedures applicable to the Company. The Committee shall undertake those specific duties and responsibilities listed below and such other duties as the Board shall from time to time prescribe. All powers of the Committee are subject to the restrictions designated in the Company’s Bylaws and by applicable law.

II. Committee Membership

The Committee shall consist of no fewer than two members. Each member of the Committee shall meet the independence requirements of the Nasdaq Stock Market and the standards established by the Board from time to time.

Committee members shall be elected by the Board and shall serve until their successors shall be duly elected and qualified. Committee members may be removed at any time by vote of the Board.

III. Structure and Meetings

The Committee shall conduct its business in accordance with this Charter, the Company’s Bylaws and any direction by the Board.

The Committee Chairperson shall be designated by the Board, or, if it does not do so, the Committee members shall elect a Chairperson by a vote of the majority of the full Committee. In the event of a tie vote on any issue, the chairperson’s vote shall decide the issue.

The Committee shall meet at least twice each year. The Committee may establish its own schedule, which it will provide to the Board in advance. The Chairperson or a majority of the members of the Committee may call meetings of the Committee upon such notice (or waiver of notice) as is required for special Board meetings in accordance with the Company’s Bylaws. A majority of the Committee, but not less than two members, shall constitute a quorum for the transaction of business. Unless the Committee by resolution determines otherwise, any action required or permitted to be taken by the Committee may be taken without a meeting if all members of the Committee consent thereto in writing. Any such actions by written consent shall be filed with the minutes of the proceedings of the Committee. As necessary or desirable, the Chairperson of the Committee may invite any director, officer or employee of the Company, or other person whose advice and counsel are sought by the Committee, to be present at meetings of the Committee. Members of the Committee may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another, and such participation shall constitute presence in person at such meeting.

The Committee Chairperson will preside at each meeting and, in consultation with the other members of the Committee, will set the frequency and length of each meeting and the agenda of items to be addressed at each meeting. The Chairperson of the Committee shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting. The Chairperson of the Committee (or other member designated by the Chairperson or the Committee in the Chairperson’s absence) shall regularly report to the full Board on its proceedings and any actions that the Committee takes. The Committee will maintain written minutes of its meetings, which minutes will be maintained with the books and records of the Company.

IV. Duties and Responsibilities

The following are the duties and responsibilities of the Committee, which may be modified from time to time by the Board:

1. Monitor the size and composition of the Board and committees of the Board.
2. Consider and make recommendations to the Board with respect to the nominations or elections of directors of the Company in connection with the slate of directors proposed for stockholder approval at annual meetings of stockholders and vacancies occurring on the Board from time to time, including vacancies resulting from an increase in the size of the Board, except that if the Company is at any time legally required by contract or otherwise to provide any third party with the ability to nominate a director, the Committee need not evaluate or propose such nomination, unless required by contract or requested by the Board. The Committee may consider candidates proposed by management or by stockholders, but is not limited to such candidates.
3. Identify individuals believed to be qualified as candidates to serve on the Board of Directors and select, or recommend that the Board of Directors select, the candidates for all directorships to be filled by the Board of Directors or by the shareholders at an annual or special meeting. In identifying candidates for membership on the Board of Directors, the Committee shall take into account all factors it considers appropriate, which may include, among others: personal and professional integrity; demonstrated exceptional ability and judgment; broad experience in business, finance or administration; familiarity with the Company's industry; ability to serve the long-term interests of the Company's stockholders; and sufficient time available to devote to the affairs of the Company. The Committee shall also take into account, as applicable, the satisfaction of any independence requirements or other director qualification standards imposed by law, regulation or listing rules of the Nasdaq Stock Market (or other applicable regulatory agency).
4. Solicit periodic input from the Board and conduct a review of the effectiveness of the structure and operations of the Board.
5. Make recommendations to the Board concerning the appointment and removal of directors to committees of the Board and suggest rotations for chairpersons of committees as the Committee deems desirable from time to time.
6. Make recommendations to the Board regarding committee member qualifications, committee structure and operations, delegated responsibilities of the committees and revisions to the charter of each Board committee.
7. Evaluate and recommend any revisions to Board and committee meeting policies and logistics.
8. Review on an annual basis director compensation and benefits.
9. Administer the annual self-evaluation by the Board, share the evaluation results with the full Board and lead Board discussions and analysis thereof.
10. Develop orientation materials for new directors and corporate governance-related continuing education for all Board members.
11. Implement, evaluate and monitor compliance of the Company's Code of Business Conduct and Ethics (the "Code"), promptly inform the Board of any non-compliance, and make recommendations to the Board regarding any revisions to the Code from time to time as appropriate.
12. Establish, implement and monitor the processes for effective communication between the Company's stockholders and members of the Board.
13. Establish, implement and monitor the processes for consideration of stockholder proposals properly submitted in accordance with the provisions of the Bylaws.
14. Review all stockholders proposals properly submitted to the Company in accordance with the provisions of the Bylaws (including any proposal relating to the nomination of a member of the

Board) and recommend to the Board appropriate action on each such proposal with input from an independent advisor and/or legal counsel, as appropriate.

15. Advise the Board periodically with respect to significant developments in the law and practice of corporate governance, with advice from legal counsel as appropriate, as well as the Company's compliance with the Company's corporate guidance guidelines and applicable laws and regulations, and make recommendations to the Board on all matters of corporate governance and on any corrective action to be take, as the Committee may deem appropriate.
16. Review, at least annually, the Company's compliance with the Nasdaq corporate governance listing requirements, and report to the Board regarding the same.
17. Oversee the management continuity process. Review and evaluate the succession plans relating to the Chief Executive Officer of the Company and make recommendations to the Board with respect to the selection of individuals to occupy such position.

IV. Performance Evaluation

The Committee shall annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval. The Committee may also perform an annual evaluation of its own performance, which may compare the performance of the Committee with the requirements of this charter. The performance evaluation by the Committee may be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the Chairperson of the Committee or any other member of the Committee designated by the Committee to make this report. In conducting this review, the Committee shall address all matters that it considers relevant to its performance.

V. Committee Resources

The Committee shall be empowered, without the approval of the Board or management, to engage or compensate independent legal, accounting or other advisors as it determines necessary to carry out its duties; including the sole authority to retain and terminate any search firm to be used to identify director candidates and to approve such firm's fees and other retention terms. The Committee shall receive appropriate funding, as determined by the Committee, from the Company for payment of (a) compensation to any advisor employed by the Committee; and (b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties. The Committee may form and delegate authority to subcommittees when appropriate.