

**CHARTER FOR THE CORPORATE GOVERNANCE AND NOMINATING COMMITTEE  
OF THE BOARD OF DIRECTORS OF INTER-TEL, INCORPORATED**

**1. PURPOSE**

The purpose of the Corporate Governance and Nominating Committee (the "Committee") of the Board of Directors of Inter-Tel, Incorporated (the "Company") shall be to:

- review and make recommendations to the Board of Directors regarding matters concerning corporate governance;
- review the composition and evaluate the performance of the Board of Directors; select, or recommend for the selection of the Board of Directors, director nominees in accordance with the Nasdaq Stock Market, Inc. Marketplace Rules (the "Nasdaq Rules"); and evaluate director compensation;
- review the composition of committees of the Board of Directors and recommend persons to be members of such committees; and
- review conflicts of interest of members of the Board of Directors and corporate officers.

In addition, the Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors may from time to time prescribe.

**2. MEMBERSHIP AND ORGANIZATION**

**Composition.** The Committee shall consist of no fewer than three members of the Board of Directors. All members of the Committee shall be appointed and replaced by the Board of Directors, shall be independent of the Company and its affiliates, shall have no relationship to the Company or its affiliates that may interfere with the exercise of their independence, and shall otherwise be deemed "Independent Directors" as defined in Rule 4200 of the Nasdaq Rules. The Board of Directors may designate one member of the Committee as its Chair. The Committee may form and delegate authority to subcommittees when appropriate.

**Meetings.** The Committee will meet at least once per quarter. The Committee may establish its own meeting schedule, which it will provide to the Board of Directors. Special meetings may be convened as required. The Committee, or its Chair, shall report to the Board of Directors on the results of these meetings. The Committee may invite to its meetings other Directors, Company management and such other persons as the Committee deems appropriate in order to carry out its responsibilities. In performing its duties, the Committee shall have the authority to obtain advice, reports or opinions from internal or external legal counsel and expert advisors, including any search firm to be used to identify candidates for the Board of Directors, and shall have sole authority to approve such experts' fees and other retention terms.

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

**Compensation.** Members of the Committee shall receive such fees, if any, for their service as Committee members as may be determined by the Board of Directors.

### **3. RESPONSIBILITIES AND DUTIES**

The responsibilities and duties of the Committee shall include:

#### **Corporate Governance Generally**

- Develop principles of corporate governance and recommend them to the Board of Directors for its consideration and approval;
- Review annually the principles of corporate governance approved by the Board of Directors to ensure that they remain relevant and are being complied with;
- Oversee the evaluation of the Company's management;
- Consider and, if the Committee deems it appropriate, recommend ways to enhance communications and relations with stockholders;
- If the Committee deems it appropriate, develop and document a process for stockholders to send communications to the Board and identify the Board members to whom such communications may be sent.
- Determine (i) the criteria by which a communication from a third party will be classified as a communication from a stockholder and (ii) whether all stockholder communications will be sent directly to the Board. If not all stockholder communications will be sent directly to the Board, develop and document a process for determining which stockholder communications will be relayed to the Board.
- Consider and, if the Committee deems it appropriate, adopt a policy regarding director attendance of the annual meeting of stockholders.
- Consider and, if the Committee deems it appropriate, adopt policies regarding director access to management and independent advisors.
- Review periodically the succession planning for the Chief Executive Officer and other executive officers, report its findings and recommendations to the Board of Directors, and work with the Board of Directors in evaluating potential successors to these executive management positions;
- Oversee compliance by the Board of Directors and its committees with applicable laws and regulations, including the Nasdaq Rules and regulations promulgated by the Securities and Exchange Commission; and
- Encourage Board members to remain current with best practices in corporate governance, and actively support attendance at directors' education programs.

#### **Composition of the Board of Directors, Evaluation and Nominating Activities**

- Review the composition and size of the Board of Directors and determine the criteria for membership on the Board of Directors, including issues of character, judgment, independence, expertise, corporate experience, length of service, other commitments and the like;
- Identify, consider and select, or recommend for the selection of the Board of Directors, candidates to fill new positions or vacancies on the Board of Directors, and review any

candidates recommended by stockholders, provided such recommendations are timely submitted in writing to the Secretary of the Company and include the recommended candidate's name, biographical data and qualifications, in each case in accordance with the Company's bylaws, certificate of incorporation and applicable federal proxy rules;

- Develop and document a policy with respect to the Corporation's consideration of director candidates recommended by the stockholders of the Corporation.
- If the Committee determines that the Corporation should consider candidates recommended by stockholders, (i) develop and document the procedures to be followed by stockholders in submitting these recommendations, (ii) develop and document the Committee's process for identifying and evaluating nominees for director, including nominees recommended by stockholders, and (iii) determine whether the Committee will evaluate a nominee differently based on whether or not the nominee is recommended by a stockholder.
- Evaluate the performance of individual members of the Board of Directors eligible for re-election, and select, or recommend for the selection to the independent members of the Board of Directors (as determined pursuant to the Nasdaq Rules), the director nominees for election to the Board of Directors by the stockholders at the annual meeting of stockholders;
- Evaluate director compensation, consulting with outside consultants and/or with the Human Resources department when appropriate, and make recommendations to the Board of Directors regarding director compensation; and
- Review and make recommendations to the Board of Directors with respect to the issuance of stock options to directors and any proposed amendments stock plans pursuant to which such Director options are issued, subject to obtaining stockholder approval of any amendments as required by law or the Nasdaq Rules.

#### **Committees of the Board of Directors**

- Periodically review the composition of each committee of the Board of Directors and make recommendations to the Board of Directors for the creation of additional committees or the change in mandate or dissolution of committees; and
- Recommend to the Board of Directors persons to be members of the various committees.

#### **Conflicts of Interest**

- Review and monitor the Company's Code of Business Conduct and Ethics;
- Consider questions of possible conflicts of interest of members of the Board of Directors and of corporate officers; and
- Review actual and potential conflicts of interest of members of the Board of Directors and corporate officers, and clear any involvement of such persons in matters that may involve a conflict of interest.