

# **THE FAIRCHILD CORPORATION**

## **Governance and Nominating Committee Charter**

**(Amended and Restated as of January 31, 2005)**

### **1. Purpose**

- 1.1 The Governance and Nominating Committee is appointed by the Board of Directors to:
  - 1.1.1 identify individuals qualified to become board members,
  - 1.1.2 select, or recommend that the Board select, the director nominees for the next annual meeting of shareholders, and
  - 1.1.3 develop and recommend to the Board a set of corporate governance guidelines applicable to the Company.

### **2. Committee Membership**

- 2.1 The Committee will be composed entirely of directors who satisfy the definition of “independent” under the listing standards of the New York Stock Exchange (NYSE).
- 2.2 The Committee members will be appointed by the Board and may be removed by the Board in its discretion.
- 2.3 The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of independent directors.

### **3. Meetings**

The Committee shall meet as often as its members deem necessary to perform the Committee’s responsibilities.

### **4. Committee Authority and Responsibilities**

- 4.1 The Committee will have the authority, to the extent it deems necessary or appropriate, to retain a search firm to be used to identify director candidates.
- 4.2 The Committee shall have sole authority to retain and terminate any such search firm, including sole authority to approve the firm’s fees and other retention terms.

- 4.3 The Committee shall also have authority, to the extent it deems necessary or appropriate, to retain other advisors.
- 4.4 The Company will provide for appropriate funding, as determined by the Committee, for payment of compensation to any search firm or other advisors employed by the Committee.
- 4.5 The Committee will make regular reports to the Board and will propose any necessary action to the Board.
- 4.6 The Committee will review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval. The Committee will annually evaluate the Committee's own performance.
- 4.7 The Committee, to the extent it deems necessary or appropriate, will:
  - 4.71 Identify individuals qualified to become members of the Board.
  - 4.7.2 Select, or recommend to the Board, director nominees to be presented for shareholder approval at the annual meeting.
  - 4.7.3 Select, or recommend to the Board, director nominees to fill vacancies on the Board as necessary.
  - 4.7.4 Make recommendations to the Board regarding the size and composition of the Board and develop and recommend to the Board criteria (such as, independence, experience relevant to the needs of the Company, leadership qualities, diversity and ability to represent the shareholders) for the selection of individuals to be considered as candidates for election to the Board.
  - 4.7.5 Develop and recommend to the Board for approval a set of corporate governance principles applicable to the Company and review such guidelines at least annually and recommend changes as necessary.
  - 4.7.6 Oversee the evaluation of the Board and its committees, which may include developing and recommending an annual self-evaluation process.
  - 4.7.8 Oversee the evaluation of management.