

# Federal Reserve Bank of Dallas Board of Directors

## *Nominating and Governance Committee Charter*

### **Purpose**

The Committee's purpose is to provide assistance to the Board of Directors in fulfilling its responsibilities on matters relating to: (1) guiding the Board in an annual review of the Board's performance and the performance of Board committees, (2) assisting the identification of candidates qualified to become Class B and Class C directors, and (3) recommending to the Board the director nominees for each committee of the Board.

### **Composition**

The Committee will be comprised of 5 directors, the three Class C directors, one Class A director and one Class B director. The positions of Class A and Class B members rotate annually among Directors in each class. The Chairman and Deputy Chairman of the Board will serve as the chairman and vice chairman of the Committee. Three members of the committee will constitute a quorum for the transaction of business, and action of the Committee will be upon the vote of the majority of those present at any meeting.

### **Powers and Duties**

The Committee will:

Administer Reviews. The Committee shall review operations of the Board and of Board committees to ensure fulfillment of responsibilities and to consider adoption of appropriate private sector best practices.

Identify Director Candidates. The Committee shall identify candidates who possess the characteristics, skills, experience and time necessary to serve on the Bank Board as Class B and Class C directors.

For Class A Vacancies:

The election of Class A directors will continue in the traditional manner. The Committee will ask the Secretary of the Board to verify that each individual nominated for a Class A position is, in fact, eligible for the Class A position.

For Class B Vacancies:

The Committee will seek nominations from the commercial banking community and any other source(s) that the Committee feels could be helpful. Taking into account all of the criteria for a highly qualified District Bank director, the Nominating Committee would select an individual who, in its opinion, is most qualified.

That individual will be put forward for consideration by, and nomination by, the Board of Directors of one or more member banks.

Any other nominations proposed by commercial bankers will also be presented on the same ballot distributed to the voting commercial bankers.

For Class C Vacancies:

The Committee will solicit nominations from the commercial banking community and any other source(s) that the Committee feels would be helpful.

The Committee will work with the Bank Affairs Committee of the Board of Governors to provide the Bank Affairs Committee with whatever background information it desires on potential directors.

The final decision to fill the Class C vacancy will be made by the Board of Governors (as is presently the case).

Recommend Committee Members. The Committee will review the Board's committee structure and, following consultation with the Chairman of the Board, recommend to the Board for its approval directors to serve as members and Chair of each committee.

Criteria for Selection of Directors. The Committee will propose to the full Board of Directors the criteria to be used in the evaluation of prospective Class A, Class B and Class C directors. The criteria will be renewed and as appropriate, revised or affirmed annually. The criteria and any revisions shall remain subject to, and consistent with, the legal parameters established under the provisions of the Federal Reserve Act.

Other Duties. Assume responsibility for addressing any issue of importance to the Board as may from time to time be specifically delegated to the Committee by the Board.

Time and Place of Meetings. The Committee will meet as needed, but not less than twice annually. A meeting may be held by any means of communication allowing each participant to hear and be heard by each other participant.

Minutes. Minutes will be prepared for each meeting of the Committee and will be approved by the Committee.