



GERMANIA FARM MUTUAL INSURANCE ASSOCIATION

GOVERNANCE COMMITTEE CHARTER

Purpose

The purpose of the Corporate Governance Committee is to assist the Board of Directors in developing and executing the most efficient and effective Board policies and practices necessary for the effective governance of Germania. Further, the Corporate Governance Committee also exists for the purpose of facilitating the evaluation and presentation of Statewide District Directors to the Board for approval. In addition, the Corporate Governance Committee exists to ensure that any possible irregularities in the nomination of candidates or election of a District Director are investigated and the findings are presented to the Board.

Specific Tasks

1. Define, and recommend to the Board of Directors, the primary roles and responsibilities of the Board and individual directors, Board operating protocols, Board structures, and individual director commitments.
2. Oversee the development and facilitation of a director continuous training program.
3. Oversee a process of Board evaluation and continuous improvement.
4. Keep abreast of significant trends and developments in Board governance, and update the Board of Directors with such information.
5. Evaluate potential candidates for Statewide District Director positions and recommend the name of the best qualified individual(s) to the Board for approval.
6. Evaluate irregularities which may have occurred in the nomination of candidates or in the election of a District Director in any District and present findings to the Board.
7. Review and make recommendations to the Board concerning realignment of Districts.

Committee Structure

The Committee shall be made up of 5 GFMA District directors and 1 Association Officer. Committee members shall be elected at a meeting of the Board of Directors. The term for each member shall be three years (staggered per rotation established by the committee). Committee members may be nominated to serve consecutive terms. The Association Officer member shall be appointed by the President. Each district director committee position shall be voted upon by the Board of Directors separately. If there be more than two nominees for any committee position to be voted upon, and if no one receives a majority vote on the first ballot, then the two receiving the highest number of votes shall enter a run off with the one receiving the most votes in the runoff election being elected. In the event of a tie, a winner will be determined by the flip of a coin. The committee may recommend a nominee for replacement of the retiring member; and other nominations may be made by the Board. At its first meeting following each election of committee members, the committee shall select a chairperson from among its members. The Governance Committee chairperson shall chair any executive session of the Board of Directors when the chair of the Board of Directors is not present. If any member of the Committee ceases to be a member of the Germania Farm Mutual Insurance Association Board of Directors, then such Committee member's term on the Committee shall terminate as of the date of termination from the Germania Farm Mutual Insurance Association Board. Any vacancy on the committee may be filled for the unexpired term by a majority vote of the Board of Directors.

Meetings of the committee shall be held on an as needed basis. To have a quorum present, no more than two voting members may be absent from a meeting. Action shall be taken where approved by the affirmative vote of a majority of the voting members in attendance at any meeting where a quorum is present. A meeting of the committee may be conducted by means of telephonic conference or electronic means where all persons participating in such meeting can hear each other or otherwise participate. Participation in a meeting held pursuant to this paragraph shall constitute presence in person at such meeting.

The Committee shall utilize a facilitator as deemed necessary.

Committee Decision Process

1. Develop conclusions and recommend practices
2. Final approval from Board of Directors