

# ACU Corporate Governance Committee Charter

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*December 2011*

## **Role**

The Corporate Governance Committee's role is to determine the slate of director nominees for election to the Company's Board of Directors, to identify and recommend candidates to fill vacancies occurring between annual shareholder meetings, to review, evaluate and recommend changes to the Company's Corporate Governance Guidelines, and to review the Company's policies and programs that relate to matters of corporate citizenship, including public issues of significance to the Company and its stakeholders.

## **Membership**

The membership of the Committee consists of members of the Board, two of whom shall meet the independence requirements established by the Board and applicable laws, regulations and listing requirements. The Board appoints the members of the Committee and the chairperson. The Board may remove any member from the Committee at any time with or without cause.

## **Operations**

The Committee meets at least once per calendar quarter. The Committee will meet periodically in executive session without Company management present. Additional meetings may occur as the Committee or its chair deems advisable. The Committee will cause to be kept adequate minutes of its proceedings, and will report on its actions and activities at the next quarterly meeting of the Board. Committee members will be furnished with copies of the minutes of each meeting and any action taken by unanimous consent. The Committee is governed by the same rules regarding meetings (including meetings by conference telephone or similar communications equipment), action without meetings, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized and empowered to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Company, or (c) the laws of the province of British Columbia.

## Authority

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee has sole authority to retain and terminate outside counsel, any search firm used to identify director candidates, or other experts or consultants, as it deems appropriate, including sole authority to approve the firms' fees and other retention terms. Any communications between the Committee and legal counsel in the course of obtaining legal advice will be considered privileged communications of the Company and the Committee will take all necessary steps to preserve the privileged nature of those communications.

The Committee may form and delegate authority to subcommittees and may delegate authority to one or more designated members of the Committee.

## Responsibilities

Subject to the provisions of the Corporate Governance Policy, the principal responsibilities and functions of the Governance and Nominating Committee are as follows:

1. Annually evaluate and report to the Board on the performance and effectiveness of the Board to facilitate the directors' fulfillment of their responsibilities in a manner that serves the interests of the Company's shareholders.
2. Annually present to the Board a list of individuals recommended for nomination for election to the Board at the annual meeting of shareholders, and for appointment to the committees of the Board (including this Committee). Review and consider shareholder recommended candidates for nomination to the Board.
3. Before recommending an incumbent, replacement or additional director, review his or her qualifications, including capability, availability to serve, conflicts of interest, and other relevant factors. In fulfilling the Committee's responsibilities for recommending individuals for nomination for election to the Board, the Committee will apply the Board Membership Criteria outlined in the ACT Aurora Control Technologies Corporation Corporate Governance Guidelines.
4. Assist in identifying, interviewing and recruiting candidates for the Board.
5. Annually review the composition of each committee and present recommendations for committee memberships to the Board as needed.
6. Develop and periodically review and recommend to the Board appropriate revisions to the Company's corporate governance framework, including its Articles of Incorporation, Bylaws, and Corporate Governance Guidelines.
7. Monitor compliance with the Corporate Governance Guidelines.
8. Regularly review and make recommendations about changes to the charter of the Corporate Governance Committee.

9. Regularly review and make recommendations about changes to the charters of other Board committees after consultation with the respective committee chairs.
10. Annually establish the process for conducting the review of the Chief Executive Officer's performance.
11. Annually review the Company's policies and programs that relate to corporate citizenship, including environmental sustainability, the annual public policy agenda, charitable or not-for-profit donations and activities, and political activities and expenditures.
12. Obtain or perform an annual evaluation of the Committee's performance and make applicable recommendations.