

NI HOLDINGS, INC.

CORPORATE GOVERNANCE GUIDELINES

Updated: April 2025

The Board of NI Holdings, Inc. has adopted a framework of good corporate governance practices to provide guidance to the Board and management to pursue our strategic objectives for the benefit of our shareholders. This framework includes the role of our Board, director independence standards and selection considerations, Board structure and functions, and other governance policies. Our Board has adopted written charters for its standing committees (the Audit Committee, Compensation Committee, Investment Committee, and Nominating and Corporate Governance Committee). The Board reviews the corporate governance guidelines annually and recommends changes as warranted. The corporate governance guidelines and the committee charters are available on the Company's website at www.niholdingsinc.com.

Our Board has adopted and is responsible for overseeing compliance with the Code of Ethics and Business Conduct that applies to all of our employees, officers, and directors, and our Board or an appropriate committee thereof must approve any waivers of the Code of Ethics and Business Conduct for employees, executive officers, or directors. The Code of Ethics and Business Conduct, any amendments, and any waivers of its requirements, are available on our website at www.niholdingsinc.com.

Board of Directors and its Committees

The current composition of the Board and its standing committees is presented below. All directors except for Mr. Marlow are up for election at the 2025 Annual Meeting and every year thereafter.

Name	Age at May 20, 2025	Director Since ⁽¹⁾	Audit Committee	Compensation Committee	Investment Committee	Nominating & Corporate Governance Committee	Independent?
Eric K. Aasmundstad <i>Board Chair</i>	66	1997	Member	Member	-	Member	Yes
Seth C. Daggett <i>President and CEO</i>	46	2024	-	-	-	-	No
William R. Devlin	77	2003	-	Member	Member	Chair	Yes
Duaine C. Espegard	81	2003	Member	-	Chair	-	Yes
Cindy L. Launer	53	2019	Member, Financial Expert	Chair	-	-	Yes
Stephen V. Marlow ⁽²⁾	69	2016	Chair, Financial Expert	Member	-	-	Yes
Prakash Mathew	76	2023	-	-	Member	Member	Yes
Jeffrey R. Missling	54	2016	-	-	-	-	No
Dave L. Stende	65	2025	Member, Financial Expert	-	-	-	Yes

⁽¹⁾ Indicates the year first elected or appointed as a director of Nodak Mutual Insurance Company or NI Holdings, Inc.

⁽²⁾ In February 2025, Mr. Marlow notified the Board that he would not stand for reelection at the 2025 Annual Meeting. Our Board expects that Mr. Stende will serve as Chair of the Audit Committee following the 2025 Annual Meeting.

While Ms. Launer was serving as Interim Chief Executive Officer, she continued to serve as a member of the Board but did not serve as a member of the Audit Committee or Compensation Committee. During this period, Mr. Aasmundstad served as Chair of the Compensation Committee. Following the appointment of Mr. Daggett as the Company's Chief Executive Officer, Ms. Launer ceased serving as Interim Chief Executive Officer and returned to serving as a member of the Audit Committee and Chair of the Compensation Committee.

Role of the Board and Management

The Company's business is conducted by its executive officers and other employees, under the direction of the Chief Executive Officer and the oversight of the Board, to enhance the long-term value of the Company for its shareholders. The members of the Board are elected by the shareholders to oversee management and to ensure that the long-term interests of the Company and the shareholders are being served. Each director is expected to perform as a director in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director reasonably believes to be in the best interests of the Company. Both the Board and management recognize that the long-term interests of the Company and its shareholders are advanced by responsibly addressing the concerns of other interested parties, including employees, prospective employees, customers, agents, vendors, government representatives, the communities in which the Company operates, and the public at large.

Director Independence

The Nasdaq Listing Rules require a majority of a listed company's Board of Directors to be comprised of independent directors. In addition, the Nasdaq Listing Rules require that, subject to specified exceptions, each member of a listed company's Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee be independent and that Audit Committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act.

In order to determine which of our directors are independent, we have elected to utilize the standards for independence established under the Nasdaq listing standards.

Under these criteria, all directors except Seth C. Daggett and Jeffery R. Missling are independent. Our Board considered Ms. Launer's service as Interim Chief Executive Officer and determined that, following the completion of her service in such role, she was independent. Our bylaws require that our Audit, Nominating and Corporate Governance, and Compensation Committees include only independent directors.

Board Leadership Structure

Under our current circumstances, our Board currently believes that it is in the best interests of the Company and our shareholders to have a person other than our Chief Executive Officer serve as Chair of our Board. We believe that separating these roles currently provides the appropriate balance between strategy development, flow of information between management and the Board, and oversight of management. We also believe that this structure provides guidance for our Board, while also positioning our Chief Executive Officer as the leader of the Company in the eyes of our customers, employees, and other stakeholders. The Board has the discretion to modify this approach as circumstances change. Mr. Aasmundstad currently serves as Chair of our Board. The four standing committees of the Board are also chaired by independent non-employee directors.

Executive Sessions of Non-Employee Directors

The quarterly Board meetings and committee meetings are attended by members of the Board and the respective committees, as well as selected officers and employees of the Company. To encourage and enhance communication among non-employee directors, and as required under applicable Nasdaq rules, our corporate governance guidelines provide that the non-employee, independent directors will meet in executive sessions without management directors or company management on a quarterly basis.

Board Access to Management

Non-employee directors have full and free access to any officer, manager, or employee of the Company in person, by email, or by telephone.

Shareholder Communications with our Board

Shareholders seeking to communicate with our Board must submit their written comments to our Corporate Secretary, NI Holdings, Inc., 1101 First Avenue North, Fargo, ND 58102. The Corporate Secretary will forward such communications to each member of our Board, except in cases where in the opinion of our Corporate Secretary, it would be inappropriate to send a particular shareholder communication to a specific director, in which cases such communication will only be sent to the remaining directors (subject to the remaining directors concurring with such opinion).

Board Access to Independent Advisors

The Board and its committees have the authority any time to retain outside accounting, financial, compensation, recruiting, legal, or other advisors, and the Company will provide appropriate funding, as determined by the Board or any committee, to compensate such independent outside advisors, as well as to cover the ordinary administrative expenses incurred by the Board and its committees in carrying out its duties.

Compensation of the Board

The Compensation Committee has the responsibility for reviewing and approving compensation and benefits for non-employee directors. In discharging this responsibility, the committee considers the performance of the Company, shareholder returns, alignment of director interests with long term shareholder interests, the amount of time and work required of directors, the compensation paid to directors at other comparable companies, and the maintenance of director independence as well as the appearance of director independence. The committee monitors the possibility of any indirect forms of compensation to directors, including significant charitable contributions to organizations with which a director might be affiliated or by which a director might be compensated.

Annual Evaluations

The Board annually considers conducting an evaluation to determine if it and its committees are functioning effectively. Likewise, each board committee annually considers conducting a self-evaluation to determine if it is functioning effectively.

Committees of the Board of Directors

Although we would qualify as a “controlled company” under the Nasdaq Listing Rules because Nodak Mutual Group, Inc. owns over 50% of our outstanding common stock, we do not intend to rely on the exemptions from certain of the corporate governance rules for Nasdaq listed companies. Our Board has established an Audit Committee, a Compensation Committee, an Investment Committee, and a Nominating and Corporate Governance Committee. Each of our standing committees has a charter providing for the responsibilities and authority of such committee. The responsibilities of each of these committees are described below. Copies of the charters of these committees are available on the Company website www.niholdingsinc.com.

Our Board may establish other ad hoc committees to facilitate the management of our business. In 2024, our Board established a CEO Search Committee to coordinate the search for a new Chief Executive Officer following

the departure of Michael J. Alexander. The CEO Search Committee was disbanded after Mr. Daggett was appointed as Chief Executive Officer. In addition, the Board also formed an ad hoc Strategic Planning Committee to assist the Board and management in planning and facilitating the development of the Company's long-term strategic plan.

Standing Committees

Audit Committee

The Audit Committee is responsible for overseeing management's conduct over internal control and financial reporting, the engagement of independent accountants, and the Company's internal audit and risk management functions. In addition, the Audit Committee:

- a) is responsible for the selection, retention, oversight, and termination of our independent registered public accounting firm;
- b) approves the non-audit services provided by our independent registered public accounting firm;
- c) reviews the results and scope of the audit and other services provided by our independent registered public accounting firm;
- d) approves the cost of the annual audits;
- e) establishes procedures to facilitate the receipt, retention, and treatment of complaints received from third parties regarding accounting, internal accounting controls, or auditing matters;
- f) establishes procedures to facilitate the receipt, retention, and treatment of confidential, anonymous submissions of concerns regarding questionable accounting or auditing matters by Company employees;
- g) reviews and approves all related party transactions raising potential conflicts of interest;
- h) reviews with management and our independent registered public accounting firm the quarterly and annual consolidated financial statements which are filed with the SEC and which are subject to oversight by the PCAOB, and the results of the corresponding reviews and audit;
- i) reviews with management and our independent auditor the annual audits of our statutory-basis financial statements and benefit plans, which are subject to standards of the American Institute of Certified Public Accountants;
- j) reviews with management and our independent registered public accounting firm the adequacy of our system of internal control over financial reporting, including its effectiveness at achieving compliance with any applicable laws or regulations;
- k) reviews with management and our independent registered public accounting firm the significant recommendations made by our independent registered public accounting firm with respect to changes in accounting procedures and internal control over financial reporting;
- l) evaluates the need for an internal audit function within the Company;
- m) reviews with management and our independent registered public accounting firm the Company's risk exposures, and assesses the policies and processes which management has implemented to monitor and control such exposures as part of the Enterprise Risk Management process; and
- n) reports to the Board on the results of its reviews and makes such recommendations as it may deem appropriate.

The Audit Committee is currently chaired by Mr. Marlow. Our Board has determined that Mr. Marlow, Ms. Launer, and Mr. Stende are each considered an "audit committee financial expert" within the meaning of SEC regulations. Under the independence criteria utilized by the Nasdaq Listing Rules, the Audit Committee members

must meet additional criteria to be deemed independent. An Audit Committee member may not, other than in his or her capacity as a member of the Audit Committee, the Board, or any other Boards' committee (i) accept directly or indirectly any consulting, advisory, or other compensatory fee from NI Holdings, Inc. other than the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with NI Holdings, Inc. (provided such compensation is not contingent in any way on continued service); or (ii) be an affiliated person of NI Holdings, Inc. as defined in Exchange Act Rule 10A-3(e)(1). All of the directors on the Audit Committee are independent under these criteria. Mr. Marlow previously notified the Board that he will not stand for reelection at the 2025 Annual Meeting. Following the 2025 Annual Meeting, the Board expects that Mr. Stende will serve as the Chair of the Audit Committee.

Compensation Committee

The Compensation Committee is responsible for discharging the Board's responsibilities relating to compensation of the Company's directors and executive officers. In addition, the Compensation Committee:

- a) establishes and reviews the overall compensation philosophy of the Company;
- b) reviews and recommends corporate goals and objectives relevant to NEO compensation, including annual performance objectives;
- c) reviews, evaluates, and recommends the compensation and benefit plans and policies of Company employees, including its executive officers;
- d) reviews, evaluates, and recommends the compensation for our directors;
- e) recommends grants of stock options and restricted stock awards to employees, executive officers, and directors under our approved Stock and Incentive Plan; and
- f) reports to the Board on the results of its reviews and makes such recommendations regarding these matters.

All of the directors on the Compensation Committee are independent under the criteria established under the Nasdaq listing standards. As noted below, during 2024 Ms. Launer served as Interim Chief Executive Officer. During such time, Ms. Launer stepped down from serving on the Compensation Committee. Following the appointment of Mr. Daggett as Chief Executive Officer and the end of Ms. Launer's service as Interim Chief Executive Officer, the Board determined that Ms. Launer was independent and she returned to serving on the Compensation Committee, including as Chair.

Compensation Committee Interlocks and Insider Participation – While Ms. Launer was serving as Interim Chief Executive Officer, she continued to serve as a member of the Board but did not serve as a member of the Audit Committee or Compensation Committee. During this period, Mr. Aasmundstad served as Chair of the Compensation Committee. Following the appointment of Mr. Daggett as the Company's Chief Executive Officer, Ms. Launer ceased serving as Interim Chief Executive Officer and returned to serving as a member of the Audit Committee and Chair of the Compensation Committee. Except as described above, the Compensation Committee of our Board does not include any current or former executive officers or current employees of NI Holdings, Inc. None of our executive officers currently serve, or during 2024 has served, as a member of the compensation committee or director (or other board committee performing equivalent functions or, in the absence of such committee, the entire board of directors) of any entity that has one or more executive officers serving on the Compensation Committee or our Board.

Investment Committee

The Investment Committee is responsible for assisting the Board in monitoring the Company's investments and reinsurance programs. In addition, the Investment Committee:

- a) reviews with senior management the reinsurance structure of the Company;

- b) reviews and approves the investment policy for the Company and approves quarterly and annual investment activity specifically for the holding company; and
- c) with the assistance of senior management, hires and/or terminates investment advisors.

All of the directors on the Investment Committee are independent as defined under the Nasdaq listing standards.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for identifying individuals qualified to become members of the Board and overseeing corporate governance of the Company. In addition, the Nominating and Corporate Governance Committee:

- a) develops and recommends a set of corporate governance principles applicable to the Company;
- b) produces a Code of Ethics and submits it for Board approval, and periodically reviews the Code of Ethics for necessary revisions;
- c) oversees the periodic evaluation of the Board and its committees;
- d) identifies suitable candidates for Board membership, and in such capacity considers any nominees recommended by shareholders;
- e) proposes to the Board a slate of directors for election by the shareholders at each annual meeting of shareholders; and
- f) proposes candidates to fill vacancies on the Board based on qualifications it determines to be appropriate.

All of the directors on the Nominating and Corporate Governance Committee are independent as defined under the Nasdaq listing standards.

Ad Hoc Committees

CEO Search Committee

The Board established an ad hoc CEO Search Committee during 2024, whose purpose was to:

- a) lead an executive search process for the position of Chief Executive Officer of the Company;
- b) review and make recommendations to the Nominating and Corporate Governance Committee with respect to candidates identified in such search;
- c) otherwise take such steps deemed appropriate to identify potential candidates to serve as Chief Executive Officer; and
- d) exercise such other powers and authority as shall from time to time be assigned thereto by resolution by the Board.

This ad hoc committee was chaired by Mr. Marlow with Messrs. Aasmundstad, Devlin, and Espegard as members. The CEO Search Committee was disbanded after the appointment of Mr. Daggett as Chief Executive Officer.

Strategic Planning Committee

The Board established an ad hoc Strategic Planning Committee during 2024, whose purpose was to:

- a) assist with planning and facilitating a formal long-term strategic planning process in conjunction with the Company's Board, executive officers, and other third parties as deemed necessary; and
- b) exercise such other powers and authority as shall from time to time be assigned thereto by resolution by the Board.

This ad hoc committee is chaired by Mr. Mathew with Messrs. Aasmundstad, Devlin, and Missling as members. The Strategic Planning Committee continues to serve.

Board and Committee Meetings and Attendance

Our Board is responsible for the oversight of our Company's management and strategy and for establishing corporate policies. Our Board and its committees typically meet quarterly and also hold special meetings and act by written consent from time to time.

The Board typically meets quarterly, with additional meetings as necessary, to review and discuss the performance of the Company, the Company's plans and initiatives, and any immediate issues facing the Company. Directors are expected to attend all Board meetings and committee meetings to which they belong, with only occasional absences.

In addition to its general oversight of management, the Board also performs a number of specific functions, including:

- a) selecting, evaluating, and compensating the Chief Executive Officer and overseeing succession planning for the Chief Executive Officer;
- b) providing counsel and oversight on the selection, evaluation, development, and compensation of executive officers;
- c) reviewing, monitoring, providing counsel, and, where appropriate, approving fundamental financial and business strategies and major corporate actions;
- d) assessing major risks facing the Company and reviewing options for their mitigation; and
- e) ensuring processes are in place for maintaining the integrity of the Company through (i) its financial statements, (ii) compliance with law and ethics, (iii) relationships with customers, vendors, and agents, and (iv) relationships with other interested parties.

During 2024, our Board met 19 times, the Audit Committee met ten times, the Compensation Committee met seven times, the Investment Committee met four times, the Nominating and Corporate Governance Committee met nine times, the CEO Search Committee met three times, and the Strategic Planning Committee met three times. During 2024, each of our directors attended at least 98% of the aggregate number of meetings of our Board and meetings of any committee of which he or she was a member, which were held during the time in which he or she was a director or a committee member, as applicable.

Our Board has a policy of encouraging director attendance at our annual meeting of shareholders, but attendance is not mandatory. The 2024 Annual Meeting was attended by all eight directors serving at the time.

Risk Oversight

One of the key functions of our Board is informed oversight of our risk management process. Our Audit Committee has the primary responsibility to monitor and assess strategic risk exposures and oversee the Company's Enterprise Risk Management activities and provide regular reports to the Board. The Audit Committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including adopting guidelines and policies to govern the process by which risk assessment and management is undertaken. Management provides quarterly updates on Enterprise Risk Management to the Audit Committee, including information on Information Technology security, audits, and cyber analytics. For further details on cybersecurity oversight, please see Item 1C. Cybersecurity in the Company's Form 10K for the fiscal year ended December 31, 2024. The Audit Committee also monitors compliance with legal and regulatory requirements.

Our Nominating and Corporate Governance Committee monitors the effectiveness of our corporate governance practices, including whether they are successful in preventing illegal or improper liability-creating conduct. Our Compensation Committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. Our Investment Committee monitors risks associated with the Company's investment portfolio and reinsurance programs, which may include market risk, credit risk, liquidity risk, and risks related to reinsurance arrangements.

Insider Trading Policy

We are committed to promoting high standards of ethical business conduct and compliance with applicable laws, rules, and regulations. As part of this commitment, we have adopted an Insider Trading Policy governing transactions in our securities by our directors, employees, contractors, consultants, and other personnel providing services to us, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations, and Nasdaq listing standards. While the Company has not adopted a formal policy governing insider trading restrictions on the Company itself, as a matter of practice the Company observes the same procedures and restrictions, including the potential existence of material non-public information, with respect to transactions by the Company in its securities, including repurchases of common stock.

Environmental, Social, and Governance

We are committed to addressing the environmental, social, and governance (“ESG”) issues facing today’s society, and pursue various initiatives around these matters. These initiatives include evaluating investment recommendations using ESG considerations, promoting health and safety issues with our employees, adopting additional work-at-home options to reduce greenhouse gas emissions, upgrading our offices and business practices to reduce our environmental impacts, and continuing our commitments to community involvement and educational organizations through employee volunteerism and corporate sponsorships.

Nominations to the Board of Directors

Our Nominating and Corporate Governance Committee is of the view that the continuing service of qualified incumbents promotes stability and continuity in the boardroom, contributing to our Board’s ability to work as a collective body, while providing us the benefit of the familiarity and insight into our affairs that our directors have accumulated during their tenure. Accordingly, our Nominating and Corporate Governance Committee recommends to our Board the re-nomination of incumbent directors for election who continue to satisfy our Nominating and Corporate Governance Committee’s criteria for membership on our Board, whom our Nominating and Corporate Governance Committee believes continue to make important contributions to our Board, and who consent to continue their service on our Board. Consistent with this policy, in considering candidates for election at our annual meeting of shareholders, the Nominating and Corporate Governance Committee will first determine which incumbent directors provide their consent to continue their service on our Board. If our Nominating and Corporate Governance Committee determines that an incumbent director consenting to re-nomination continues to be qualified and has satisfactorily performed his or her duties as director during the preceding term, and there exist no reasons, including considerations relating to the composition and functional needs of our Board as a whole and why in our Nominating and Corporate Governance Committee’s view the incumbent should not be re-nominated, the Nominating and Corporate Governance Committee will, absent special circumstances, propose the incumbent director for nomination by our Board for re-election at our annual meeting of shareholders.

If any member of our Board does not wish to continue in service or if our Board decides not to re-nominate a member for re-election, the Nominating and Corporate Governance Committee identifies a new nominee that meets the criteria below. The Nominating and Corporate Governance Committee may, in its sole discretion, solicit recommendations for nominees from persons that the Nominating and Corporate Governance Committee believes are likely to be familiar with qualified candidates. These persons may include members of our Board, including members of the Nominating and Corporate Governance Committee, and our management team. The Nominating and Corporate Governance Committee may, in its sole discretion, determine to engage a professional search firm to assist in identifying qualified candidates. If a search firm is engaged, the Nominating and Corporate Governance Committee will set its fees and scope of engagement. The Nominating and Corporate Governance Committee may, in its sole discretion, solicit the views of the Chief Executive Officer, other members of our senior management, and other members of our Board regarding the qualifications and suitability of candidates to be nominated as directors. The Nominating and Corporate Governance Committee may, in its sole discretion, designate one or more of its members (or the entire Nominating and Corporate Governance Committee) to interview any proposed candidate. Based on all available information and relevant considerations, the Nominating and Corporate Governance Committee will select a candidate who, in the view of the committee, is most suited for membership on our Board.

We have not received director candidate recommendations from our shareholders. We do, however, have a formal policy regarding consideration of such recommendations. In making its selection of director nominees, the Nominating and Corporate Governance Committee will evaluate candidates proposed by shareholders under criteria similar to the evaluation of other candidates and in accordance with our Bylaws and as is otherwise required pursuant to the Exchange Act. However, the Nominating and Corporate Governance Committee may consider, as one of the factors in its evaluation of shareholder-recommended nominees, the size and duration of the ownership by the recommending shareholder or shareholder group in our common stock. The Nominating and Corporate Governance Committee may also consider the extent to which the recommending shareholder intends to continue holding its interest in the Company, including, in the case of nominees recommended for election at an annual

meeting of shareholders, whether the recommending shareholder intends to continue holding its interest at least through the time of such annual meeting.

Under our Bylaws, shareholders wishing to suggest a candidate for director must write to our Corporate Secretary. In order to give the Nominating and Corporate Governance Committee sufficient time to evaluate a recommended candidate and/or include the candidate in our proxy statement for an upcoming annual meeting of shareholders, the recommendation must be received by our Corporate Secretary at our principal executive offices in accordance with our procedures detailed in the section entitled “Shareholder Proposals and Director Nominations” in our latest proxy statement. Such submissions must state the nominee’s name and address, together with appropriate biographical information and background materials, and information with respect to the shareholder or group of shareholders making the recommendation, including the number of shares of common stock owned by such shareholder or group of shareholders, as well as other information required by our Bylaws. We may require any proposed nominee to furnish such other information as we may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director or that could be material to a reasonable shareholder’s understanding of the independence, or lack thereof, of such proposed nominee.

Director Qualifications

The Nominating and Corporate Governance Committee has adopted guidelines and procedures for identifying and evaluating candidates for director that provide for a fixed set of specific minimum qualifications for its candidates for membership on our Board. At a minimum, each director is expected to:

- a) understand our business and relevant industries in general;
- b) regularly attend meetings of our Board and of any committees on which the director serves;
- c) review in a timely fashion and understand materials circulated to our Board regarding us or our industry;
- d) participate in meetings and decision-making processes in an objective and constructive manner; and
- e) be reasonably available, upon request, to advise our officers and management.

The Nominating and Corporate Governance Committee will also consider factors such as the likelihood that he or she will be able to serve on our Board for a sustained period, experience as a director of a public company, and knowledge of relevant industries. While we do not have a formal diversity policy, due consideration will be given to our Board’s overall balance of diversity of skills, experiences, backgrounds, perspectives, race, ethnicity, gender, and other differentiating personal characteristics. The Board believes that this promotes inclusiveness, enhances the Board’s deliberations, and enables the Board to better represent the Company’s shareholders. The Nominating and Corporate Governance Committee further believes it is appropriate for at least one member of our Board to meet the criteria for an “audit committee financial expert” as that phrase is defined under the regulations promulgated by the SEC, and that a majority of the members of our Board be independent as required under the Nasdaq Listing Rules. The Nominating and Corporate Governance Committee believes it is appropriate for our Chief Executive Officer to serve as a member of our Board. Our directors’ performance and qualification criteria are reviewed periodically by the Nominating and Corporate Governance Committee.

In evaluating director nominees, the Nominating and Corporate Governance Committee will consider, among other things, the following factors:

- a) the background and qualifications of the candidate, including information concerning the candidate required to be disclosed in our proxy statement under the rules of the SEC and any relationship between the candidate and the person or persons recommending the candidate;
- b) if the candidate satisfies certain minimum qualifications and other criteria that we have set for membership on our Board;

- c) if the candidate possesses any of the specific qualities or skills that under the nominating and corporate governance policies must be possessed by one or more members of our Board;
- d) the contributions that the candidate can be expected to make to the overall functioning of our Board;
- e) the extent to which the membership of the candidate on our Board will promote diversity among the directors; and
- f) other factors such as independence under applicable Nasdaq Listing Rules, and relationships with our shareholders, competitors, customers, suppliers, or other parties with a relationship to the Company.