

NECESSARY COMPONENTS OF THE TASK FORCE GOVERNANCE PROPOSAL AND ACTION PLAN

More specifically, among other things, the Task Force will propose, as part of its Governance Proposal and Action Plan, the following for both Strong EDC and Strong IIC:

- the number and composition of an independent board of directors
- voting procedures for the board of directors
- eligibility requirements for board membership
- procedures regarding appointment and removal of board members
- establishment of standing committees of the board such as an executive committee
- development of committee charters for audit and finance committees and all other standing committees
- development of investment policies and procedures as part of the development of the finance committee charter
- development of audit committee policies and procedures
- development of public relations strategy and marketing of activities
- development of internet and social media policies and procedures
- development of board policies and procedures for making low-interest loans and/or equity investments, and eligibility criteria for applicants
- development of board policies and procedures for implementation, monitoring, review and revision, in each case as appropriate, of Strong EDC's and Strong IIC's 5-year action plans
- development of policies and procedures to monitor and review the performance of private contractors and other service providers to Strong EDC and Strong IIC

- development of grant application and policies and procedures for board use in the review of grant applications and the awarding and making of grants
- development of grant criteria to be used in requesting grant applications
- development of effective, IRS-mandated conflict of interest policies and procedures to detect, monitor and resolve conflicts of interest of board members with respect to conducting its activities
- development of policies and procedures for the retention of counsel, accountants and other advisors and consultants to the board of directors
- development of job descriptions for the executive officers who would report to the board of directors
- development of reasonable compensation arrangements for the executive officer job descriptions
- development of decision criteria for joint venture, co-development and direct investments in projects
- development of expenditure responsibility policies and procedures for receiving reports and ensuring accountability by recipients of Strong EDC or Strong IIC funds for their use of such funds and resources by grant and loan recipients, borrowers and equity investments
- development of annual budget criteria and budget variance criteria
- development of annual reporting mechanisms for the board to report annually on achievement of its annual goals
- development of governance monitoring metrics and self-evaluation procedures for the board of directors

- development criteria for distribution of liquidation proceeds when Strong EDC of Strong IIC, as applicable, is dissolved or liquidated
- development of appropriate accounting controls and management information systems.