

# **Classified Business Oversight Committee**

## **Statement of Purpose**

The purpose of the Classified Business Oversight Committee (the “Committee”) is to provide oversight of the Company's business activities that for purposes of national security have been designated as classified by the United States government.

## **Composition, Membership and Operation**

1. **Composition of Committee.** All members of the Committee shall be directors or members of executive management of the Company. Directors shall constitute at least two-thirds of the members of the Committee. The Chair of the Committee shall be a director who qualifies as an “independent” director as defined in the Company's Corporate Governance Guidelines. Given the nature of the Committee's duties and responsibilities, it may be necessary or desirable for members of the Committee to have specialized security clearances. Members of the Committee shall be appointed to, and removed from, the Committee by the Board of Directors (the “Board”).
2. **Operation of Committee.** A majority of the members of the Committee shall constitute a quorum for doing business. All actions of the Committee shall be taken by a majority vote of the members of the Committee present at a meeting at which a quorum is present or by unanimous written consent. The Committee Chair, who shall be selected by the Board, is responsible for the leadership of the Committee, including preparation of meeting agendas. The Committee may, at its discretion, delegate such of its authority and responsibilities as the Committee deems proper to members of the Committee or a subcommittee.
3. **Meetings.** The Committee shall meet as often as it deems necessary in order to perform its responsibilities. If necessary, the Committee Chair may call special meetings of the Committee. The Committee shall keep such records of its meetings as it deems appropriate and the Committee Chair shall report regularly to the Board on the activities of the Committee.

## **Duties and Responsibilities**

The authority and responsibilities of the Committee include:

- Overseeing the strategic, operational and financial aspects of the Company's classified business.
- Periodically reviewing and making any necessary recommendations to the Board and management concerning the following:
  - \* Policies, processes, procedures, training and risk assessment and management activities applicable to the Company's classified business activities to the extent that they deviate from those applicable to the Company's non-classified business activities.
  - \* Reviews of classified programs involving special operational or reputational risks.

- \* Reports from management on particular classified projects involving significant performance, financial or reputational risks.
  - \* Other classified governance or business issues that the Board, any other Board Committee or management requests the Committee to review.
- Conducting an annual evaluation of the Committee's own performance and reporting the results of that evaluation to the Board.

### **Limitations Inherent in Committee's Role**

Although the Committee has the duties and responsibilities set forth in this charter, the Committee's role is one of oversight, while the Company's management is responsible for developing the Company's strategy and managing the operational and financial performance of the Company's classified business activities.

In addition, the Committee is not responsible for preparing or ensuring the accuracy of the Company's financial statements or planning or conducting an audit of the Company's classified business activities, which are the sole responsibility of management and the Company's independent registered public accounting firm, respectively. The Committee through its oversight role is responsible for ensuring that the Company maintains appropriate policies and guidelines to comply with all laws applicable to the Company's classified business.

The Committee is also responsible for ensuring that the Company has appropriate training procedures and practices to familiarize employees working on classified projects with these requirements. However, it is the direct responsibility of management to ensure compliance at the operational level. It is recognized that certain programs may have government-imposed special or compartmentalized access requirements that limit the ability of Committee members to obtain access to information pertaining to such programs.

### **Advisors**

The Committee shall have the authority to retain and obtain advice and assistance from such advisors as it believes may be necessary to fulfill its responsibilities. The Committee shall also have authority to approve such advisor's fees, expenses and other terms of its retention. The Company shall provide appropriate funding, as determined by the Committee, for paying the fees and expenses of any advisor retained by the Committee.

### **Additional Duties and Responsibilities**

As appropriate, the Committee shall interact with the Audit and Compliance Committee regarding specific accounting or audit issues related to contracts within the scope of the Committee's areas of responsibility.

The Committee shall undertake such additional duties and responsibilities as the Board may, from time to time, prescribe.