
GOVERNANCE COMMITTEE CHARTER

This Governance Committee Charter was adopted by the Warren County Tobacco Asset Securitization Corporation (the "Corporation") on the 12th day of December, 2012.

Purpose

Pursuant to Article IX, Section 2 of the Corporation's bylaws, the purpose of the governance committee is to assist the Corporation by keeping the Corporation members informed of current best practices in corporate governance; updating the Corporation's corporate governance principles and governance practices; and advising those responsible for appointing members to the Corporation on the skills, qualities and professional or educational experiences necessary to be effective Corporation members and directors.

Composition and Selection

The membership of the committee shall be as set forth in accordance with and pursuant to Article IX, Section 2 of the Corporation's bylaws. The governance committee shall be comprised of at least one (1) independent member appointed by the Corporation's Board of Directors.

Governance committee members shall be prohibited from being an employee of the Corporation or an immediate family member of an employee of the Corporation. In addition, governance committee members shall not engage in any private business transactions with the Corporation or receive compensation from any private entity that has material business relationships with the Corporation, or be an immediate family member of an individual that engages in private business transactions with the Corporation or receives compensation from an entity that has material business relationships with the Corporation.

The governance committee members should be knowledgeable or become knowledgeable in matters pertaining to governance.

Committee Structure and Meetings

The governance committee will meet a minimum of once a year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. All committee members are expected to attend each meeting, in person.

Meeting agendas will be prepared for every meeting and provided to the governance committee members at least five days in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The governance committee shall act only on the affirmative vote of a majority of the members at a meeting. Minutes of these meetings are to be recorded.

Responsibilities

- Develop the Corporation's governance practices. These practices should address

transparency, independence, accountability, fiduciary responsibilities, and management oversight.

- Develop and recommend to the Corporation the number and structure of any addition committees to be created by the Corporation.
- Develop and provide recommendations to the Corporation regarding Corporation member education, including new member orientation and regularly scheduled member training to be obtained from state-approved trainers.
- Develop and provide recommendations to the Corporation on performance evaluations, including coordination and oversight of such evaluations of the board, its committees and senior management in the Corporation's governance process.

Evaluation of the Corporation's Policies

The governance committee shall:

- Review and make recommendations on an as needed basis, for revisions to the Corporation's code of ethics and written policies regarding conflicts of interest; protection of whistleblowers from retaliation; equal opportunity and affirmative action; procurement of goods and services, including policies relating to the disclosure of persons who attempt to influence the Corporation's procurement process; and the disposition of real and personal property.
- Develop and recommend to the Corporation any other policies or documents relating to the governance of the Corporation, including rules and procedures for conducting the business of the Corporation's Board, such as the Corporation's bylaws.
- Oversee the implementation and effectiveness of the bylaws and other governance documents and recommend modifications as needed.