

**BOARD OF DIRECTORS  
of the  
SURPLUS LINES STAMPING OFFICE OF TEXAS**

**EXECUTIVE COMMITTEE  
CHARTER**

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**AUTHORITY**

1. The Executive Committee (“Committee”) is a standing committee of the Board of Directors of the Surplus Lines Stamping Office of Texas (“Board”) established under Section 2 (c)(9)(A) of the Surplus Lines Stamping Office of Texas - Plan of Operation. The purposes of the Committee include monitoring and annually evaluating the performance of the Executive Director of the Surplus Lines Stamping Office of Texas (the “Executive Director”) and developing and annually nominating candidates for the Chair and other Board officer positions.

**MEMBERSHIP**

1. The Committee membership will consist of the Chair, Vice-Chair, and Secretary of the Board, each to serve for a one-year term.
2. The chair of the Board will serve as the chair of the Committee.
3. Interim vacancies occurring among the membership of the Committee will be filled by the respective replacement officer elected by the Board. The chair of the Board may appoint a Board member to fill an interim vacancy on the Committee until such time as the Board elects a replacement officer.

**OPERATIONS**

1. The Committee will meet with such frequency as it may determine necessary. The Chair of the Committee will preside over Committee meetings. A majority of Committee members will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee is subject to and shall publish notice of its meetings as required by Chapter 551 of the Texas Government Code (Texas Open Meetings Act) and shall also be subject to Chapter 552 of the Texas Government Code (Texas Public Information Act).
3. The Committee will keep minutes of its meetings and will report its activities to the Board on a regular basis at the Board meeting immediately following the Committee meeting.
4. The Committee may invite any director, officer, employee, outside advisor or other individual who is not a Committee member to attend Committee meetings or meet with Committee members, but such persons will not have voting power and will not serve as Committee members.

5. The Executive Director will serve as the Committee's staff liaison.
6. The Committee will review this charter annually and submit to the Board any proposed changes. The Board shall review and vote to submit the proposed changes to the Deputy Commissioner of the Financial Regulation Division of the Texas Department of Insurance or the Deputy Commissioner's designee in accordance with Section 2 (c)(11) of the Surplus Lines Stamping Office of Texas - Plan of Operation.

### **RESPONSIBILITIES**

1. Act with full authority of the Board during on-demand activities and on matters of urgency occurring between Board meetings, subject to any applicable limitations provided in the Surplus Lines Stamping Office of Texas - Plan of Operation, any Board-imposed limitation on Committee action, and subsequent Board review and ratification of Committee action taken;
2. Engage services of compensation consultants as necessary, including the authority to approve any such advisor's fees and other retention terms subject to the limitations of the Surplus Lines Stamping Office of Texas - Plan of Operation including, but not limited to, Section 2 (b)(11) and subsequent Board review and ratification of Committee action;
3. Negotiate and recommend to the Board an employment contract for the Executive Director as needed;
4. Develop and maintain formal performance review procedures and evaluate market salary surveys for the Executive Director position;
5. Monitor the performance of the Executive Director, conducts his or her annual performance review, and make recommendations to the Board regarding the Executive Director's performance goals for the subsequent year;
6. Obtain and evaluate relevant comparative market compensation information and make recommendations to the Board regarding the Executive Director's compensation (including benefits);
7. Develop and recommend to the Board, nominees for the positions of Board Chair, Vice-Chair, and Secretary for the following year, with elections occurring at the next Annual Meeting.

Adopted by the Board of Directors of the Surplus Lines Stamping Office of Texas on December 10, 2020.

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Rosemarie Marshall, Chair  
Board of Directors  
Surplus Lines Stamping Office of Texas