The Metropolitan Transportation Authority

CORPORATE GOVERNANCE COMMITTEE

This Charter for the Corporate Governance Committee was adopted by the MTA Chair and a majority of the members of Board of the Metropolitan Transportation Authority, a public benefit corporation established under the laws of the State of New York (together with any other entity or corporation for which the members of the Metropolitan Transportation Authority serve as a board of directors, the "MTA"), on this 29th day of July, 2004.

I. PURPOSE

The Corporate Governance Committee (the "Committee") shall assist the MTA Chair and the Board in: (i) developing and recommending to the Board, policies to promote honest and ethical conduct by Board members, officers, and employees, and enhance public confidence in the MTA; (ii) developing, recommending to the Board and overseeing implementation of MTA policies relating to corporate governance, including the MTA Corporate Governance Principles; and (iii) reviewing on a regular basis the overall corporate governance of the MTA and recommending improvements when necessary.

II. COMMITTEE AUTHORITY

In discharging its role, the Committee is empowered to investigate any matter brought to its attention. To facilitate any such investigation, the chairperson of the Committee shall have access to all books, records, facilities and staff of the MTA (including any of its subsidiary corporations or affiliates).

III. COMMITTEE MEMBERSHIP

The Committee shall consist of 11 or more members of the Board and shall include the MTA Chair, and the chairs of each committee of the Board. All other members of the Committee shall be appointed by the MTA Chair. At all times, the Committee shall include at least one member from among those recommended for appointment to the Board by the Mayor of the City of New York. If not otherwise a member of the Committee, each MTA Vice-Chair shall be an *ex officio* member of the Committee. The MTA Chair shall be the chairperson of the Committee. In the absence of the chairperson at a meeting of the Committee, the MTA Chair shall appoint a temporary chairperson to chair such meeting. A member of the Committee may be removed, for cause or without cause, by the MTA Chair. No member of the Committee shall be employed by (a) the MTA, or (b) a private entity that does, or is likely to do, business with the MTA.

IV. COMMITTEE MEETINGS

The Committee shall meet on a regularly-scheduled basis at least 2 times per year, and more frequently as circumstances dictate. The Committee shall cause to be kept adequate minutes of all its proceedings and records of any action taken. Committee members will be furnished with copies of the minutes of each meeting. The Committee shall be governed by the same rules regarding meetings, notice, quorum, and voting requirements as are applicable to meetings of the Board, including without limitation any applicable provisions set forth in the Public Authorities

Law and Article 7 of the Public Officers Law. The Committee may form and assign responsibilities to subcommittees when appropriate.

The Committee may request that any member of the Board, the Auditor General, any officer or staff of the MTA, or any other person whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information at the Committee requests.

V. COMMITTEE REPORTS

The chairperson of the Committee shall report on the Committee's proceedings, and any recommendations made.

VI. KEY RESPONSIBILITIES

The following responsibilities are set forth as a guide with the understanding that the Committee may diverge as appropriate given the circumstances. The Committee is authorized to carry out these and such other responsibilities assigned by the MTA Chair or the Board, from time to time, and take any actions reasonably related to the mandate of this Charter.

To fulfill its purposes, the Committee shall:

1. coordinate and oversee the annual self-evaluation of the role and performance of the Board, its committees, and management in the governance of the MTA;

2. develop and recommend to the Board, oversee the implementation and effectiveness of, and recommend modifications as appropriate to, any policies or documents relating to the governance of the MTA, including the MTA Corporate Governance Principles;

3. consider corporate governance issues that arise from time to time, and develop appropriate recommendations for the Board regarding such matters;

4. review, and as necessary recommend to the Board any revisions to, MTA policies regarding the procurement of goods and services;

5. monitor the MTA's compliance with MTA policy and the laws and requirements of the State of New York with respect to procurement lobbying;

6. review, and as necessary recommend to the Board any revisions to, MTA policies regarding the protection of whistleblowers from retaliation;

7. review and assess the adequacy of this Charter annually;

8. conduct an annual self-evaluation of the performance of the Committee, including its effectiveness and compliance with this Charter; and

9. report regularly to the MTA Chair and Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the MTA Chair or the Board requests, and maintain minutes or other records of Committee meetings and activities.