



Corporate Governance Guidelines

- I. Board Issues**
- A. Membership.**
1. **Size of Board.**
The Board shall have at least six and no more than fifteen directors.
 2. **Mix of Directors; "Independent" Directors.**
A majority of the Directors shall satisfy the independence requirements of Section 10A of the Securities Exchange Act of 1934, the New York Stock Exchange and any other regulatory authority.
 3. **Board Membership Criteria.**
The Company should seek candidates who possess qualifications and expertise that will enhance the composition of the Board, including the considerations set forth below. The considerations set forth below are not meant as minimum qualifications, but rather as guidelines in weighing all of the candidate's qualifications and expertise. (See *Appendix I, Criteria for Selecting New Directors.*)
 4. **New Directors.**
The Nominating/Corporate Governance Committee has, as one of its responsibilities, the recommendation of Director candidates to the full Board. The Nominating/Corporate Governance Committee will maintain an orientation program for new Directors.
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- B. Conduct.**
1. **Board Meetings.**
 - a. **Selection of Agenda Items and Executive Sessions.**
The Chairman and Chief Executive Officer should establish the agenda for Board meetings. The non-management Directors of the Board will meet in regularly scheduled executive sessions without any management participation. The independent Directors will designate, and publicly disclose the name of the Director, who will preside at the executive sessions.
 - b. **Distribution of Materials.**
The Company shall distribute, sufficiently in advance of meetings to permit meaningful review, written materials for use at Board meetings.
 - c. **Attendance of Non-Directors.**
The Board believes that attendance of key executive officers augments the meeting process.
 - d. **Number of Meetings; Attendance and Preparation.**
The Board of Directors shall hold a minimum of four meetings per year. Directors are expected to attend all meetings, absent exceptional circumstances, and to have, prior to the meetings, reviewed all written meeting materials distributed to them in advance.
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- I.**
- Board Issues**
- B. Conduct (cont'd.)**
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2. Conflicts of Interest.
Directors are expected to avoid any action, position or interest that conflicts with an interest of the Company, or gives the appearance of a conflict. The Company annually solicits information from Directors in order to monitor potential conflicts of interest and Directors are expected to be mindful of their fiduciary obligations to the Company.
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3. Share Ownership by Directors.
The Board believes that the number of shares of the Company's stock owned by each Director is a personal decision, but encourages stock ownership.
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4. Compensation Review.
The Compensation Committee will annually review, and (when it deems appropriate) recommend to the full Board changes in, Director compensation and benefits with equity ownership in the Company encouraged.
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5. Assessing Board and Committee Performance.
The Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively.
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6. Access to Senior Management.
Board members have complete and open access to senior members of management. The Chief Executive Officer shall invite key employees to attend Board sessions at which the Chief Executive Officer believes they can contribute to Board discussion.
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7. Confidentiality.
The Board believes maintaining confidentiality of information and deliberations is an imperative.
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8. Board of Directors' Resources.
The Board of Directors shall have the authority to obtain advice and seek assistance from advisors and consultants.
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- II.**
- Committee Issues**
1. Board Committees; Committee Charters.
The Board currently has the following four Committees: the Audit Committee; the Compensation Committee; the Nominating/Corporate Governance Committee; and the Executive Committee. The Compensation Committee and the Nominating/Corporate Governance Committee shall each consist of at least two Directors, and the Audit Committee shall consist of at least three members, each of whom shall satisfy the independence (and, in the case of the Audit Committee, the financial literacy and experience) requirements of Section 10A of the Securities Exchange Act of 1934, the New York Stock Exchange and any other regulatory requirements.
- The Audit Committee, the Compensation Committee and the Nominating/Corporate Governance Committee shall each have appropriate written charters. These committee charters will be made available on the Company's Web site at: "www.gpstrategies.com."
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- II. Committee Issues (cont'd.)**
2. **Rotation of Committee Assignments and Chairs.**
Committee assignments and the designation of Committee Chairs should be based on the Director's knowledge, interests and areas of expertise. The Board does not favor mandatory rotation of Committee assignments or Chairs. The Board believes experience and continuity are more important than rotation. Committee members and Chairs should be rotated only if rotation is likely to increase Committee performance.
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III. Duties and Responsibilities of the Committees

1. **Executive Committee.**
During the intervals between Board meetings, the Executive Committee shall, have, and may exercise, all the powers and authority of the Board in the management of the Company's business to the fullest extent permitted by law.
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2. **Audit Committee.**
The Audit Committee has the powers and responsibilities set forth in its Charter (which is available on the Company's Web site at "www.gpstrategies.com"). The role of the Audit Committee is oversight. The members of the Audit Committee are not employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Audit Committee to conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of Management and the Company's independent auditors.
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3. **Compensation Committee.**
The Compensation Committee shall have the powers and responsibilities set forth in its Charter (which is available on the Company's Web site at "www.gpstrategies.com").
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4. **Nominating/Corporate Governance Committee.**
The Nominating/Corporate Governance Committee shall have the powers and responsibilities set forth in its Charter (which is available on the Company's Web site at "www.gpstrategies.com").
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IV. Other Principles

1. **Disclosure of Corporate Governance Principles.**
These Corporate Governance Principles will be made available on the Company's Web site at "www.gpstrategies.com."
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**Appendix I.
Criteria for
Selecting New
Directors**

The Company should seek candidates that possess qualifications and expertise that will enhance the composition of the Board, including the considerations set forth below. The considerations set forth below are not meant as minimum qualifications, but rather as guidelines in weighing all of a candidate's qualifications and expertise.

- Candidates should be individuals of personal integrity and ethical character.
 - Candidates should have background, achievements, and experience that will enhance the Board. This may come from experience in areas important to the Company's business, substantial accomplishments or prior or current associations with institutions noted for their excellence. Candidates should have demonstrated leadership ability, the intelligence and ability to make independent analytical inquiries and the ability to exercise sound business judgment.
 - Candidates should be free from conflicts that would impair their ability to discharge the fiduciary duties owed as a director to the Company and its stockholders, and the Company will consider directors' independence from the Company's management and stockholders.
 - Candidates should have, and be prepared to devote, adequate time and energy to the Board and its committees to ensure the diligent performance of their duties, including by attending meetings of the Board and its committees.
 - Due consideration will be given to the Board's overall balance of diversity of perspectives, backgrounds and experiences, as well as age, gender and ethnicity.
 - Consideration will also be given to relevant legal and regulatory requirements.
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