

# ENUMERAL BIOMEDICAL HOLDINGS, INC.

## Corporate Governance Guidelines

The Board of Directors (the “Board”) of Enumeral Biomedical Holdings, Inc. (the “Company”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in the exercise of its duties and responsibilities and to serve the best interests of the Company and its stockholders. The Guidelines should be applied in a manner consistent with all applicable laws and stock exchange rules and the Company’s charter and bylaws, each as amended and in effect from time to time. The Guidelines are intended to serve as a flexible framework for the conduct of the Board’s business and not as a set of legally binding obligations. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with its duties and responsibilities to the Company and its stockholders.

### **1. Board Membership Criteria**

The Nominating and Governance Committee should periodically review the appropriate skills and characteristics required of Board members in the context of the current composition of the Board. This assessment will be based on Board membership criteria established by the Board. The Nominating and Governance Committee will make recommendations to the Board based on this review, in accordance with the provisions of the Nominating and Governance Committee charter.

### **2. Size of the Board**

The Board shall periodically review its own size, and determine the size that is most appropriate and effective given the Company’s present circumstances and changes in the Company’s business, including anticipated future operations.

### **3. Board Meetings**

The members of the Board shall determine the frequency and length of the Board meetings. Special meetings may be called from time to time as determined by the needs of the business.

### **4. Selection of the Chairman of the Board, the Chief Executive Officer and the Lead Director**

The Board shall remain free to decide whether the positions of Chairman and Chief Executive Officer should be held by the same person. The Board will thus be in position to determine the best arrangement for the Company and its stockholders, given the changing circumstances of the Company and the composition of the Board. As the Board may determine, a Lead Director (who shall be an independent director) may be selected by the independent directors to

coordinate their efforts and activities. When the Board meets without the Chairman, the Lead Director shall act as chairman of that meeting.

**5. Selection of New Director Candidates; Invitations to New Potential Directors; Nominations of Directors**

Except where the Company is legally required by contract, bylaw or otherwise to provide third parties with the ability to nominate directors, the Nominating and Governance Committee shall be responsible for (i) identifying individuals qualified to become Board members, consistent with criteria approved by the Board, and (ii) recommending to the Board the persons to be nominated for election as directors at any meeting of the stockholders and the persons (if any) to be elected by the Board to fill any vacancies on the Board. Director nominees shall be considered for recommendation by the Nominating and Governance Committee in accordance with these Guidelines, the policies and principles of its charter, and the criteria set forth in Attachment A to these Guidelines. It is expected that the Nominating and Governance Committee will have direct input from the Chairman of the Board, the Chief Executive Officer and, if one is appointed, the Lead Director. The Nominating and Governance Committee shall consider candidates proposed by stockholders, as further detailed in these Guidelines.

An invitation to join the Board may be extended by the Chairman of the Board, on behalf of the Board, or, with the Board's authorization, by the Chairman of the Nominating and Governance Committee or the Lead Director.

The Board and the Company shall have an appropriate orientation process for new directors that includes background material and meetings with senior management.

The Nominating and Governance Committee will annually recommend to the full Board the directors to be nominated for election by the stockholders, in accordance with the provisions of that committee's charter.

**BOARD MEETING PROCEDURES**

**6. Agendas for Board Meetings**

The Chairman and Lead Director establish the agenda for each Board meeting. Once established, the Chairman distributes the agenda to the full Board in advance of the meeting. Although the final agenda will be determined by the Chairman and Lead Director, other directors and executive officers may suggest additional agenda items and may raise subjects that are not on the agenda at any meeting.

**7. Board Materials Distributed in Advance**

Information that is important to the Board's or a committee's understanding of the business to be conducted shall be distributed to the members in advance of each meeting. Management

should attempt to make this material concise, while still providing the necessary information. This permits more meeting time to be spent on discussion and questions from directors. The Board acknowledges that certain items to be discussed at a Board or committee meeting maybe of an extremely confidential or sensitive nature and that the distribution of materials on these matters prior to meetings may not be appropriate or practicable. In such cases, a presentation should be made at the meeting.

## **BOARD DUTIES, PERFORMANCE AND COMPENSATION**

### **8. Fiduciary Duties and Conflicts of Interest**

All members of the Board have fiduciary duties and obligations to the Company and its stockholders. Directors have a duty of due care that requires them to act in good faith and dedicate the time and attention necessary to make careful, thoughtful decisions on behalf of the Company.

Directors also have a duty of loyalty that requires them to exercise their business judgment and act in a manner that they believe is in good faith and in the best interests of the Company and its stockholders. If a director's personal interests potentially conflict with the interests of the Company, a director should bring this conflict to the Board's attention, disclose the nature and effect of such potential conflict, and recuse himself or herself from voting on or discussing the matter.

In addition to the duties and responsibilities described herein, directors also have the responsibilities set forth on Attachment B to these Guidelines.

### **9. Attendance, Participation and Compensation**

Directors must devote the time and attention necessary to discharge their responsibilities. Directors are responsible for attending all or substantially all Board meetings and meetings of the committees of the Board on which they serve, as well as the annual meeting of stockholders. Directors are also expected to spend whatever additional time as may be necessary for them to discharge their responsibilities appropriately. Directors shall ensure that other existing or future commitments do not materially interfere with their ability to fulfill their responsibilities as Company directors.

The Board does not have a specific limitation on the number of directorships a director may hold. It is expected that before accepting another board position a director will consider whether that service will compromise his or her ability to perform his or her present responsibilities to the Company. Directors shall limit the number of other public company boards on which he or she serves to ensure that he or she will be able to devote adequate time to his or her duties to the Company, including preparing for and attending Board meetings. Service on boards and or committees of other organizations shall comply with the Company's conflict of interest policies.

The Compensation Committee shall have the responsibility for reviewing and recommending to the Board for approval the compensation and benefits for non-employee directors, in accordance with the terms of the Compensation Committee charter. The Compensation Committee may engage compensation consultants to provide advice and recommendations regarding non-employee director compensation.

**10. Assessing Board Performance**

The Nominating and Governance Committee will recommend criteria for assessment of the performance of the Board. Based on these criteria, the Board and each committee of the Board should conduct an annual self-assessment of its performance.

**11. Oversee Corporate Governance Policies and Procedures**

The Nominating and Governance Committee will periodically review and reassess the adequacy of the Guidelines and recommend any proposed changes to the Board for approval.

**12. Continuing Education for Directors**

Each member of the Board is expected to be involved in continuing director education on an ongoing basis to enable him or her to better perform his or her duties and to recognize and appropriately address matters that arise.

## **COMMITTEES MATTERS**

### **13. Standing Committees of the Board**

The Board has the following standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Governance Committee. Subject to requirements of the Nasdaq Stock Market, or any such other national securities exchange on which the Company's securities are then listed, and applicable law, the Board may at any time create a new committee, increase or decrease the number of members of a committee, or terminate the existence of a committee as provided in the Company's Bylaws.

Each standing committee shall have a written charter that shall be approved by the full Board. Each committee charter shall state the purpose of the committee and reflect the responsibilities that the committee has undertaken. Each committee shall review its charter annually and recommend amendments to it as appropriate to reflect changes in the committee's responsibilities, applicable law or regulations and other relevant considerations.

### **14. Committee Meetings**

The chairman of each committee, in consultation with the committee members, shall determine the frequency and length of the committee meetings consistent with any requirements set forth in the respective committee's charter. Special meetings may be called from time to time as determined by the needs of the Company's business and the responsibilities of the committees.

### **15. Committee Agendas**

The chairman of each committee, in consultation with the committee members and appropriate management of the Company, as applicable, shall develop the committee's agenda. Agendas are distributed to all committee members in advance of the meeting. Although the final agenda will be determined by the chairman of the committee, other directors may suggest additional agenda items and may raise subjects that are not on the agenda at any meeting.

### **16. Assignment and Rotation of Committee Members**

Committee membership and their chairs shall be reviewed by the Board from time to time on recommendation of the Nominating and Governance Committee. There are no fixed terms for committee membership and the Board does not feel that rotation of committee members should be predetermined since there may be reasons at any given time for a Board member to continue membership on a committee. However, the Board does recognize that rotation of committee members may be appropriate at periodic intervals.

## **ROLE OF INDEPENDENT DIRECTORS**

### **17. Board Guidelines on Independence for Independent Directors**

An independent director is one who, in the opinion of the Board, is free of any relationship with the Company or its management that would interfere with the director's ability to make independent judgments. The Board determines a director's independence after reviewing pertinent facts and circumstances. This determination is made in conformity with applicable laws and regulations, the rules of the Nasdaq Stock Market or any such other national securities exchange on which the Company's securities are then listed, as applicable, and any additional independence standards adopted by the Board. If a change in circumstances affects an independent director's continuing independence, that director shall offer to tender his or her resignation to the Chairman of the Board. The Board shall determine whether to accept or reject such resignation.

Except as may otherwise be permitted by the rules of the Nasdaq Stock Market, or any such other national securities exchange on which the Company's securities are then listed, as well as applicable law and regulation, a majority of the Board shall be independent directors.

In addition, except as may otherwise be permitted by the rules of the Nasdaq Stock Market, or any such other national securities exchange on which the Company's securities are then listed, as well as applicable law and regulation, all directors serving on the Audit Committee, Compensation Committee and Nominating and Governance Committee must be "independent directors" as defined pursuant to applicable law or regulations established the SEC and the Nasdaq Stock Market, or any such other national securities exchange on which the Company's securities are then listed. Members of the Audit Committee, Compensation Committee and Nominating and Governance Committee must meet all other requirements set forth in the respective committee's charter.

The Board shall make an affirmative determination on a regular basis, as required, that no relationships exist that would interfere with the independent judgment of the independent directors or the Board.

### **18. Executive Sessions of Independent Directors**

The independent directors shall meet regularly in executive session.

## **BOARD RELATIONSHIP TO SENIOR MANAGEMENT**

### **19. Board Access to Senior Management**

Board members shall have complete access to the Company's management.

### **20. Attendance of Non-Directors at Board Meetings**

The Board, subject to the approval of the Chairman, welcomes the attendance at Board meetings from time to time of non-Board members who are in senior management positions with the Company. The Board expects that management will use this process to provide additional insight into the items being discussed at meetings and give exposure to managers with senior management potential.

**21. Board Interaction with Stockholders, Institutional Investors, the Press, Public, etc.**

The Board believes that the Chief Executive Officer or his or her designees speak for the Company. Because management appoints persons to interact with institutional investors, the press, and members of the public, individual directors ordinarily should not communicate directly with these constituencies about Company matters, unless requested to do so by the Board or management. If comments from the Board are appropriate, they should in most circumstances come from the Chairman of the Board or the Lead Director, as appropriate.

The Board will give appropriate attention to written communications that are submitted by stockholders and other interested parties, and will respond if and as appropriate.

**LEADERSHIP DEVELOPMENT**

**22. Evaluation and Approval of Compensation of the Chief Executive Officer and Other Executive Officers**

Consistent with the provisions of the Compensation Committee charter, the Compensation Committee shall perform an annual evaluation of the Chief Executive Officer against the performance objectives of the prior year and approve compensation for the Chief Executive Officer. The Compensation Committee shall review and approve the Company's compensation programs and arrangements applicable to executive officers, and shall determine the objectives for the Company's executive officer compensation programs.

**23. Succession Planning**

The Nominating and Governance Committee shall periodically review with the Chairman of the Board and the Chief Executive Officer, as applicable, the succession plans relating to the positions held by the Company's executive management.

**24. Tenure and Term Limits**

The Board does not believe it should establish term limits. Term limits could result in the loss of directors who have been able to develop, over a period of time, significant insight into the Company and its operations and an institutional memory that benefit the Board and management. Consequently, term limits may sometimes force out directors who are able to greatly contribute to the Company by serving on its Board. The Nominating and Governance

Committee, in consultation with the Chairman, will evaluate the contributions of existing Board members and the need for new directors and, if appropriate, suggest the resignation and replacement of a Board member.

**25. Retirement Age**

The Board has not established a mandatory retirement age. As is the case with term limits, a mandatory retirement age may remove directors who have been able to develop, over a period of time, significant insight into the Company and its operations and who continue to make valuable contributions to the Company. The Nominating and Governance Committee, in consultation with the Chairman, will evaluate the performance and contributions of existing Board members and, if appropriate, decline to nominate for re-election or suggest the resignation and replacement of a Board member.

**26. Stockholder Nominations**

Stockholders may suggest director candidates for consideration by the Nominating and Governance Committee by writing to the Committee and providing the candidate's name, biographic data, qualifications and any other information concerning the candidate required by Schedule 14A under the Securities Exchange Act of 1934 for nominees for director, as well as the candidate's written consent to be considered as a nominee and to serve as a director if elected. Stockholders who wish to nominate director candidates for election by stockholders at the Company's annual stockholders meeting may do so in the manner disclosed in the company's annual proxy statement and in accordance with the provisions of the Company's Bylaws.

Adopted: February 27, 2015

## **ANNEX A**

### **CRITERIA FOR NOMINATION AS A DIRECTOR**

#### **General Criteria**

1. Nominees should have a reputation for integrity, honesty and adherence to high ethical standards.
2. Nominees should have demonstrated business acumen, experience and ability to exercise sound judgments in matters that relate to the current and long-term objectives of the Company and should be willing and able to contribute positively to the decision-making process of the Company.
3. Nominees should have a commitment to understand the Company and its industry and to regularly attend and participate in meetings of the Board and its committees.
4. Nominees should have the interest and ability to understand the sometimes conflicting interests of the various constituencies of the Company, which include stockholders, employees, customers, governmental units, creditors and the general public, and to act in the interests of all stockholders.
5. Nominees should not have, nor appear to have, a conflict of interest that would impair the nominee's ability to represent the interests of all the Company's stockholders and to fulfill the responsibilities of a director.
6. Nominees shall not be discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability or any other basis proscribed by law. The value of diversity on the Board should be considered.

#### **Application of Criteria to Existing Directors**

The renomination of existing directors should not be viewed as automatic, but should be based on continuing qualification under the criteria set forth above. In addition, the Nominating and Governance Committee shall consider the existing directors' performance on the Board and any committee, which shall include consideration of the extent to which the directors undertook continuing director education.

#### **Criteria for Composition of the Board**

The backgrounds and qualifications of the directors considered as a group should provide a significant breadth of experience, knowledge and abilities that shall assist the Board in fulfilling its responsibilities.

## **ANNEX B**

### **DIRECTOR RESPONSIBILITIES**

#### **Oversee Management of the Company**

The principal responsibility of the directors is to oversee the management of the Company and, in so doing, serve the best interests of the Company and its stockholders. This responsibility includes:

1. Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.
2. Evaluating the performance of the Company and its senior executives and taking appropriate action, including removal, when warranted.
3. Evaluating the Company's compensation programs on a regular basis and determining the compensation of its senior executives.
4. Reviewing and approving senior executive succession plans.
5. Evaluating whether corporate resources are used only for appropriate business purposes.
6. Establishing a corporate environment that promotes timely and effective disclosure (including robust and appropriate controls, procedures and incentives), fiscal accountability, high ethical standards and compliance with all applicable laws and regulations.
7. Reviewing the Company's policies and practices with respect to risk assessment and risk management.
8. Reviewing and approving material transactions and commitments not entered into in the ordinary course of business.
9. Developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
10. Providing advice and assistance to the Company's senior executives.
11. Evaluating the overall effectiveness of the Board and its committees.

#### **Exercise Business Judgment**

In discharging their fiduciary duties, directors are expected to exercise their business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders.

## **Understand the Company and its Business**

Directors have an obligation to become and remain informed about the Company and its business, including the following:

1. The principal operational and financial objectives, strategies and plans of the Company.
2. The results of operations and financial condition of the Company and of significant subsidiaries and business segments.
3. The relative standing of the business segments within the Company and as compared to competitors.
4. The factors that determine the Company's success.
5. The risks and problems that affect the Company's business and prospects.

## **Establish Effective Systems**

Directors are responsible for determining that effective systems are in place for the periodic and timely reporting to the Board on important matters concerning the Company, including the following:

1. Current business and financial performance, the degree of achievement of approved objectives and the need to address forward-planning issues.
2. Future business prospects and forecasts, including actions, facilities, personnel and financial resources required to achieve forecasted results.
3. Financial statements, with appropriate segment or divisional breakdowns.
4. Compliance programs to assure the Company's compliance with law and corporate policies.
5. Material litigation and governmental and regulatory matters.
6. Monitoring and, where appropriate, responding to communications from stockholders.

Directors should also periodically review the integrity of the Company's internal control and management information systems.