

## **QAD INC.**

### **CORPORATE GOVERNANCE COMMITTEE CHARTER**

The Board of Directors (the “Board”) of QAD Inc. (the “Company”) has established a standing committee to be known as the Corporate Governance Committee (the “Committee”).

#### **Purpose**

The purpose of the Committee is to oversee the Company’s corporate governance functions. In particular, the Committee is appointed by the Board to discharge the responsibilities set forth below in this charter.

#### **Authority**

The Committee has authority to take appropriate actions necessary to discharge its responsibilities.

#### **Membership and Power to Act**

The Committee shall be composed of such number of directors as may be appointed by the Board, but shall have at least three members, each of whom shall meet the independence requirements of the NASDAQ rules and the rules of the Securities and Exchange Commission, as determined by the Board. Such members may be removed by the Board in its discretion. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of independent directors.

The Board shall appoint the members of the Committee to serve until their successors have been duly designated and shall appoint one member to serve as the chair of the Committee.

#### **Meetings**

The Committee shall meet as often as may be deemed necessary or appropriate in its judgment, either in person or telephonically, and at such times and places as the Committee shall determine. Such meetings shall be called by the chair or at least two other members of the Committee. The Committee shall make regular reports to the Board with respect to its activities.

The Committee may adopt rules for its meetings and activities. In the absence of any such rules, Committee actions shall be governed by the Company’s bylaws and applicable law. In all cases, a quorum of the Committee shall be a majority of the persons then serving as members of the Committee. Minutes shall be regularly kept of the Committee’s proceedings, by a person appointed by the Committee to do so.

#### **Responsibilities**

Among its specific responsibilities, the Committee shall:

1. Oversee and administer the Company’s Corporate Code of Conduct . Annually review and assess the adequacy of the Corporate Code of Conduct and recommend any proposed changes to the Board. Specifically, the Committee shall discuss with management (1) their compliance with the Corporate Code of Conduct, including any insider and affiliated party transactions except as otherwise delegated

to the Audit Committee under the Company's Related Party Transaction Policy, and (2) the Company's procedures to monitor Corporate Code of Conduct compliance throughout the Company.

2. Oversee the continuing education of directors and the orientation of new directors.
3. Review applicable NASDAQ governance standards annually and confirm and/or provide for the Company's compliance with such standards.
4. Assess annually the performance of the duties specified in this Charter by the Committee and its individual members.
5. Review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.