

BENCHMARK ENERGY CORPORATION
CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines (the “Guidelines”) have been adopted by the Board of Directors (the “Board”) of Benchmark Energy Corporation (“Benchmark”) to assist the Board in the exercise of its responsibilities. The Guidelines reflect the commitment of the Board to monitor the effectiveness of policy and decision-making, both at the Board and senior management levels, and to enhance stockholder value over the long term. The Guidelines are a statement of policy and are not intended to change or interpret any federal or state law or regulation, including the Delaware General Corporation Law, or the Certificate of Incorporation or the By-laws of Benchmark. The Guidelines shall be superseded by the Certificate of Incorporation or the By-laws of Benchmark in the event of conflict. The Guidelines are subject to periodic review by the Board and to modification from time to time by the Board.

I. BOARD COMPOSITION

- A. *Size of Board.* Subject to the provisions of the Restated Certificate of Incorporation and the By-laws of Benchmark, the Board generally shall have no fewer than 3 and no more than 9 directors.
- B. *Selection of New Directors.* The Nominating Committee is responsible for identifying, screening and recommending candidates to the Board for Board membership. When formulating its Board membership recommendations, the Nominating Committee shall also consider any advice and recommendations offered by the Board, the stockholders of Benchmark or any outside advisors that the Nominating Committee may retain. Final approval of a candidate to fill a vacancy on the Board is determined by the full Board or by the stockholders if a vacancy coincides with the annual meeting.

All new directors shall participate in an orientation process. This process includes comprehensive background briefings by the executive officers and other members of senior management. The orientation program is the responsibility of the Chief Executive Officer and is administered by the Secretary of Benchmark. The Company encourages the directors to participate in continuing education programs sponsored by universities, stock exchanges, or other organizations specializing in director education. Subject to the approval of the Chief Executive Officer, a director may attend continuing education programs at Benchmark’ expense.

For purposes of the Guidelines, the term “executive officers” shall mean those persons who are subject to the reporting provisions and trading restrictions of Section 16 of the Securities Exchange Act of 1934 and the rules and regulations promulgated by the Securities and Exchange Commission thereunder. For purposes of the Guidelines, the term “senior management” shall mean all executive officers and any other officer or employee with significant management or policy-making responsibilities who reports directly to an executive officer or the Board.

- C. *Membership and Removal Criteria.* Nominees for director shall be selected on the basis of broad experience, wisdom, integrity, ability to make independent analytical inquiries, understanding of the business environment in which Benchmark operates and willingness to devote adequate time to Board duties. Each director is expected to rigorously prepare for, attend and participate in all Board meetings and all meetings of committees of the Board of which the director is a member. Each director is expected to ensure that other existing and planned future commitments do not materially interfere with his or her service as an outstanding director.

The Nominating Committee shall be responsible for assessing the appropriate balance of skills and characteristics required of directors. The Board is committed to a diversified membership, in terms of both the individuals involved and their various experiences and areas of expertise.

All directors are expected to comply with the policies and guidelines of Benchmark and the charter of any committee of the Board of which they are members. The stockholders shall have the power to remove directors on their own initiative by a majority vote with or without cause. Upon the first failure by a director to comply with any such policies and guidelines, including without limitation the Insider Trading Policy, Benchmark shall issue a warning notice to the director. Upon the second failure to comply by such director, the removal of such director from the Board for cause shall automatically be included among the agenda items for consideration at the next Board meeting. After discussion at such meeting, the Board in its discretion may recommend that the stockholders consider the removal of such director. Failure to prepare for, attend or participate in meetings of the Board or Board committees shall also constitute grounds for removal from the Board for cause.

- D. *Role of Independent Directors on Board.* Independent directors shall constitute half or a majority of the Board.

- E. *Definition of Director Independence.* An independent director is one who is determined by the Corporate Governance Committee to be (1) a “non-employee director,” (2) an “outside director,” (3) “independent,” and (4) free from any relationship that would interfere with the exercise of independent judgment as a director.

No officer or employee of Benchmark or its subsidiaries, nor any immediate family member of any officer or employee of Benchmark or its subsidiaries, shall qualify as an independent director. A director who is, or has an immediate family member who is, or has been within the last two years, an executive officer of another corporation or entity in which any present executive of Benchmark at the same time serves or served on the compensation committee shall not qualify as an independent director.

An individual who is a partner, controlling stockholder, executive officer or employee, or who is an immediate family member of a partner, controlling stockholder, executive officer, or employee who participates in audit, assurance or tax compliance, of an organization that has a business or audit relationship with Benchmark that is material to either the director or Benchmark, or who has a direct business or audit relationship or has an immediate family member with a direct

business or audit relationship with Benchmark that is material to either the director or Benchmark, shall not qualify as an independent director. The materiality of the business relationship shall be determined by the Corporate Governance Committee, and its determination shall be final.

Further, an individual shall not qualify as an independent director for a period of five years following the termination of any of the relationships described in this section.

- F. *Categorical Standards for Determining Director Independence.* A director who meets all of the following categorical standards shall be presumed by the Corporate Governance Committee to be “independent”:

During the past three years, Benchmark has not employed the director, and has not employed (except in a non-officer capacity) any of his or her immediate family members;

During the past three years the director has not received, and does not have an immediate family member who has received, during any twelve-month period within the last three years, more than \$100,000 in direct compensation from Benchmark, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

- (a) Neither the director nor any of his or her immediate family members is a current partner of a firm that is Benchmark’s internal or external auditor.
- (b) The director is not a current employee of such firm.
- (c) The director does not have an immediate family member who is a current employee of such firm who participates in the firm’s audit, assurance or tax compliance (but not tax planning) practice.
- (d) Neither the director nor any of his or her immediate family members was, within the last three years a partner or employee of such firm and personally worked on Benchmark’s audit within that time.

Neither the director, nor any of his or her immediate family members, is, or has been within the last three years, employed as an executive officer of another company where any of Benchmark’s present executive officers at the same time serves or served on that company’s compensation (or equivalent) committee;

- 1. The director is not a current employee and does not have an immediate family member who is a current executive officer of a company that has made payments to, or received payments from, Benchmark for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of (a) \$1 million or (b) two percent of the consolidated gross revenues of such other company;

2. During the past three years, the director has not had a personal services contract with Benchmark, the Chairman of the Board, the Chief Executive Officer, any other executive officer or any affiliate of Benchmark;
3. The director is not an executive officer of a tax exempt organization to which Benchmark has made contributions in any of the last three fiscal years that have exceeded the greater of (a) \$1 million or (b) two percent of the consolidated gross revenues of such tax exempt organization; and
4. The director does not, either directly or indirectly as a partner, stockholder or officer of another company, own more than five percent of any class of equity securities of Benchmark.

For the purposes of these guidelines, the term “*immediate family member*” means a person’s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person’s home, but excluding any person who is no longer an immediate family member as a result of legal separation, divorce, death or incapacitation.

- G. *Retirement Age.* No director who has attained the age of 78 years shall be nominated for re-election or reappointment to the Board without the prior approval of the Corporate Governance Committee.
- H. *Directors Who Change Employment.* The Corporate Governance Committee shall review the continued appropriateness of Board membership if a director has a material change in employment circumstances, and the affected director shall be expected to act in accordance with the recommendation of the Committee.
- I. *Term Limits.* The Board does not mandate term limits for directors.
- J. *Director Compensation.* Company employees shall not receive additional compensation for their service as directors. Compensation for non-employee directors shall be reviewed annually as determined by the Compensation Committee of the Board. The Company believes that compensation for non-employee directors should be competitive. Further, Benchmark believes it is in the best interest of its stockholders that a portion of annual director compensation be paid in Company stock and/or stock options.

II. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- A. *Board Responsibilities.* The primary responsibilities of the Board of Directors are oversight, counseling and direction to the management of Benchmark in the interest and for the benefit of Benchmark’s stockholders. The Board’s detailed responsibilities include:
 1. Planning for succession with respect to the position of Chief Executive Officer and monitoring management’s succession planning for other senior executives;

2. Reviewing and, where appropriate, approving Benchmark's major financial objectives, strategic and operating plans and actions;
3. Overseeing the conduct of Benchmark' business to evaluate whether the business is being properly managed; and
4. Overseeing the processes for maintaining the integrity of Benchmark with regards to its financial statements and other public disclosures, and compliance with law and ethics.

The Board of Directors has delegated to the Chief Executive Officer, working with the other executive officers of Benchmark, the authority and responsibility for managing the business of Benchmark in a manner consistent with the standards and practices of Benchmark, and in accordance with any specific plans, instructions or directions of the Board. The Chief Executive Officer and Management are responsible to seek the advice and, in appropriate situations, the approval of the Board with respect to extraordinary actions to be undertaken by Benchmark.

- B. *Code of Business Conduct and Ethics.* Members of the Board of Directors shall act at all times in accordance with the requirements of Benchmark's Code of Business Conduct and Ethics, which shall be applicable to each Director in connection with his or her activities relating to Benchmark. This obligation shall at all times include, without limitation, adherence to Benchmark' policies with respect to conflicts of interest, confidentiality, protection of Benchmark' assets, ethical conduct in business dealings and respect for and compliance with applicable law. Any waiver of the requirements of the Code of Business Conduct and Ethics with respect to any individual Director shall be reported to, and be subject to the approval of, the Board of Directors.

III. BOARD MEETINGS

- A. *Frequency of Meetings.* There shall be at least four regularly scheduled meetings of the Board each year. It is the responsibility of each director to attend all meetings.
- B. *Executive Sessions.* It is the policy of the Board to have a separate meeting time for the independent directors ("Executive Sessions") during each regularly scheduled Board Meeting. Executive Sessions may be held in person or telephonically so long as all those attending the meeting are able to hear each other. At the first board meeting following the annual meeting of stockholders, the independent directors shall elect an independent director to chair Executive Sessions, to serve as the interface between the independent directors and the Chairman of the Board or the Chief Executive Officer in communicating the matters discussed during the Executive Sessions and to bear such other responsibilities as the independent directors as a whole shall designate from time to time (the "Lead Independent Director"). Minutes of Executive Sessions shall be kept by an independent director appointed by the Lead Independent Director and shall be forwarded to the Board on a regular basis.

- C. *Board Materials Distributed in Advance.* Information and data are important to an understanding of the business of Benchmark and essential to prepare directors for productive meetings. Presentation materials relevant to each meeting shall be distributed in writing to the Board in advance of the meeting unless doing so would compromise the confidentiality of competitive information. In the event of a pressing need for the Board to meet on short notice, written materials may not be available in advance of the meeting. Effort shall be made to provide presentation materials that are brief and to the point, yet communicate the critical information.
- D. *Board Contact with Senior Management and Independent Advisors.* Directors shall have complete access to senior management and all independent advisors to Benchmark, including without limitation, attorneys, accountants and investment bankers. Directors shall use sound business judgment to ensure that such contact is not distracting, and, if contact is made in writing, the Chairman of the Board and the Chief Executive Officer shall be provided with a copy.
- The Board shall encourage senior management, from time to time, to bring employees into Board meetings (1) who provide additional insight concerning the items being discussed because of personal involvement in these areas and (2) who represent significant aspects of the business of Benchmark. The Board should also be exposed to employees with future potential to assure adequate plans for management succession within Benchmark.
- E. *Board Interaction with Institutional Investors and Press.* The Board believes that senior management generally should speak for Benchmark, consistent with all regulations governing such communications and with common sense. Unless otherwise agreed to or requested by the Chief Executive Officer, each director shall refer all inquiries from institutional investors and the press to designated members of senior management or the Chief Executive Officer.

IV. COMMITTEE MATTERS

- A. *Number and Names of Board Committees.* The Company shall have the following standing committees: Audit, Compensation, Nominating, Corporate Governance and Technology. The duties and responsibilities of each committee shall be outlined in a charter or by resolution of the Board. Consistent with legal and stock exchange requirements, the Board may form a new committee or disband a current committee depending on the circumstances.
- B. *Independence of Audit, Corporate Governance and Compensation Committees.* The Audit Committee, the Corporate Governance Committee and the Compensation Committee shall be comprised entirely of independent directors.
- C. *Assignment and Rotation of Committee Members.* The Nominating Committee shall be responsible, after consultation with the Chairman of the Board, for making recommendations to the Board with respect to the assignment of directors to various committees. After reviewing the recommendations of the Committee, the Board shall appoint committee members on an annual basis at the first meeting following the annual meeting of stockholders. Members of each committee shall be responsible for electing a committee chairman.

The Chairman of the Board and the Nominating Committee shall annually review committee assignments and shall consider the rotation of committee chairmen and members with a view toward balancing the benefits derived from continuity against the benefits derived from diversity of experience and viewpoint.

- D. *Limitation on Audit Committee Members.* Without the express consent of the Board, no member of the Audit Committee shall serve on the audit committee of more than three companies, including Benchmark, that are reporting companies within the meaning of the Securities Exchange Act of 1934. If the Board permits any member of the Committee to serve on more than three such audit committees, then the Board shall make an affirmative determination that simultaneous service will not impair the effectiveness of the Committee member with respect to his or her responsibilities to Benchmark. The basis for such determination shall be disclosed as required by law or stock exchange regulation.
- E. *Annual Review by Committee.* Each Board committee shall annually review its charter and recommend any changes to the Board. In addition to its charter, the Corporate Governance Committee shall annually review the Guidelines and recommend any changes to the Board.

V. ANNUAL PERFORMANCE EVALUATION

The Board, the Corporate Governance Committee, the Compensation Committee, and the Audit Committee shall each conduct an annual self-evaluation to determine whether it is functioning effectively. The Corporate Governance Committee will develop and recommend to the Board for its approval an annual self-evaluation process for the Board and its committees. The Board's self-evaluation shall focus on, among other things, an assessment of: (a) the Board's composition and independence, (b) the Board's access to and review of information from management, and the quality of such information and (c) the Board's effectiveness. Each committee self-evaluation shall focus on compliance with its charter, committee structure and culture, access and sufficiency of information, and effectiveness. The Corporate Governance Committee will report annually to the Board with a performance assessment of the Board's performance and the performance of the Board's committees. The assessment will focus on the Board's contribution to Benchmark and will specifically focus on areas where the Board or management believes that the Board could improve.

VI. LEADERSHIP DEVELOPMENT

- A. *Succession Planning.* The Company understands the importance of succession planning. Therefore, the Chairman of the Board and the Chief Executive Officer shall consult with senior management to develop a succession plan. The plan shall then be reviewed analyze the current employees of Benchmark, identify possible successors to by the entire Board.
- B. *Management Development.* The Board shall periodically review the plans for the education, development and orderly succession of senior and mid-level managers throughout Benchmark.

VII. CONFLICTS OF INTEREST

If a director, directly or indirectly, has a financial or personal interest in a contract or transaction to which Benchmark is to be a party, or is contemplating entering into a transaction that involves the use of Company assets or competition against Benchmark, the director is considered to be interested in the matter. In such event, the director shall contact the Chairman of the Board, the Chief Executive Officer, the Secretary or the chairman of the Corporate Governance Committee. The involvement or interest of the director shall then be reviewed by the Chief Legal Officer and referred for resolution to the Corporate Governance Committee. Interested directors should be identified, their interests disclosed to the board, and they shall not participate in any discussion or any vote relating to any matter in which they have been deemed to be interested. The decision of the Corporate Governance Committee on all matters of interest shall be final.

Adopted by the board of directors and effective as of July 16, 2013.