

PAYCHEX, INC.

INVESTMENT COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

I. PURPOSE

The primary purpose of the Investment Committee is to assist the Board in reviewing investment policies, strategies and performance of the Company and its subsidiaries.

II. COMPOSITION

The Committee shall be composed of at least three Directors who meet the independence and experience requirements of the Nasdaq Stock Market, Inc. The members shall be appointed and replaced by the Board. The Board will designate a Chairman who will also be the primary contact to management.

III. MEETINGS

The Committee shall meet at least once a year. Additional meetings may occur as the Committee or its Chair deems advisable. Participation can be in person or telephonic.

IV. RESPONSIBILITIES AND DUTIES

To fulfill its responsibilities and duties the Investment Committee shall:

1. Review the investment policies, strategies, and programs of the Company and its subsidiaries to ensure they are consistent with the goals and objectives of the Company;
2. Determine that investment constraints are consistently followed and that procedures are in place to ensure that the investment portfolio is managed in compliance with the investment policy and applicable investment constraints;
3. Delegate authority to management to execute individual investment transactions on behalf of the Company within policies and limits approved by the Committee;
4. Approve all external investment manager changes;
5. Review the performance of the investment portfolios of the Company and its subsidiaries;
6. Make periodic reports to the Board;
7. Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval;
8. Have the authority to hire legal, accounting, financial or other advisors as they may deem necessary in their judgment with due regard to cost, without the need to obtain the prior approval of any officer of the Company.