

II. Compensation Committee Charter

A. Purpose of the Committee

The Compensation Committee shall assist the Board of Directors of the Company in overseeing the Company's management compensation policies and practices, including:

- Determining and approving the compensation of the Company's President;
- Reviewing compensation levels for the Company's other Executive Officers;
- Reviewing and approving management bonus compensation policies and programs and exercising discretion in the administration of such programs.

The Committee shall develop a compensation strategy that creates a direct relationship between compensation levels and goals and performance and expected returns to shareholders over the long term. The Committee shall vigilantly monitor the results of such compensation strategy to assure that the compensation payable to the Company's officers and employees provides overall competitive compensation levels, creates proper incentives to enhance shareholder values, rewards superior performance and is justified by the returns available to shareholders.

B. Composition of the Committee

The Committee will be composed of not less than three Board members, a majority of whom shall be Independent. The Chairman of the Board shall appoint the Chair of the Committee who shall be an Independent Director. The Board of Directors shall appoint the remaining members of the Committee, upon the recommendation of the Nominating & Governance Committee. Each Committee member shall serve at the pleasure of the Board of Directors and for such term or terms as the Board shall determine.

C. Duties and Responsibilities

The duties and responsibilities of the Committee shall include the following:

- In consultation with the President of the Company, review and approve the Company's general compensation philosophy and guidelines including general performance and measurement guidelines for the determination of bonus compensation and a targeted competitive position for compensation relative to a defined peer group of companies.
- Review and approve goals and objectives relevant to President's compensation, including annual performance objectives. Evaluate at least annually the performance of the President against goals and objectives, including the annual performance objectives for the President and, based on this evaluation, determine and approve the compensation level (including any

- discretionary bonus awards) for the President, reviewing as appropriate, any agreement or understanding relating to the President's employment, bonus compensation or other benefits based on this evaluation.
- Review, at least annually, the compensation of the five most highly compensated officers of the Company for the preceding fiscal year and other members of management as the Board and Committee determine appropriate.
- Review, on a periodic basis, the Company's incentive and bonus compensation programs to determine whether they are appropriate, properly coordinated and achieve their intended purpose(s), and recommend to the Board any appropriate modifications or new plans or programs. The Committee shall attempt to ensure that the Company's compensation program is effective in attracting and retaining key employees, reinforces business strategies and objectives for enhanced stockholder value and is administered in a fair and equitable manner consistent with established policies and guidelines.
- The Committee shall review executive management's planning for executive development and succession and shall approve a CEO succession plan.
- Review and reassess the adequacy of this Charter annually, and recommend to the Board amendments as the Committee deems appropriate.
- Report regularly to the Board on Committee findings and recommendations and any other matters the Committee deems appropriate or the Board requests.
- Perform such other responsibilities as may be delegated by the Board of Directors.
- It is recognized that, subject to oversight by the Board and this Committee and the Committee's review and approval of management bonus compensation policies and programs, the President of the Company has the authority to establish the compensation and benefit policies and practices for all other employees of the Company.

D. Committee Powers

The Committee shall have the full power and authority to:

- Retain and terminate special legal, compensation, accounting or other consultants to advise the Committee and shall approve all consultants' fees and terms of retention. Any such consultant shall report directly to the Committee. The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
- Form and delegate authority to subcommittees.

- Exercise such other powers as may be necessary or appropriate to fulfill its purposes.
- Perform such other responsibilities as may be delegated by the Board of Directors.

E. Procedural Matters

Except as noted above, the Committee shall meet to perform its responsibilities and duties at least annually, but more often as the Committee shall determine is necessary or appropriate. The agenda of each Committee meeting shall be established by the Chair with the assistance of appropriate members of management. Each Committee member is free to suggest the inclusion of items on the agenda. Each Committee member is free to raise at any Committee meeting subjects not on the agenda for that meeting. The agenda, whenever reasonably practicable, shall be circulated to each Committee member prior to the meeting date. One-half of the members (but not less than two members) of the Committee will constitute a quorum for a meeting of the Committee. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee. The Chair will preside, when present, at all meetings of the Committee. Officers of the Company may attend any meeting of the Committee, except for portions of such meetings where the officers' presence would be inappropriate, as determined by the Committee. The Committee will keep a record of its meetings and report on them to the Board. The Committee may meet by telephone or video conference and may take action by written consent. Reports of meetings of the Committee shall be made to the Board of Directors at its next regularly scheduled meeting following the Committee meeting, accompanied by any recommendations that were approved by the Committee.