

# Compensation Committee Charter

## PURPOSE

The purpose of the Compensation Committee ("Committee") is to review, approve, and oversee the administration of the Company's compensation and benefit programs, and to evaluate their effectiveness in supporting the overall business objectives of the Company. The Committee shall (i) establish compensation policies for the Chief Executive Officer and senior management, (ii) evaluate the performance and set the compensation of the Chief Executive Officer and senior management, and (iii) review the Company's executive development programs, performance evaluation process and incentive compensation programs.

This charter shall be reviewed for adequacy on a periodic basis by the Committee, and the Committee shall recommend any proposed changes to the Board of Directors for approval.

## MEMBERSHIP

The Committee shall be comprised of at least three non-employee members of the Board each of whom qualifies as an "independent" director under the rules of the New York Stock Exchange ("NYSE"), a "non-employee director" for purposes of Rule 16b-3 of the Securities Act of 1934, as amended, and an "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended. The Committee and its members shall meet the applicable NYSE listing standards. Members shall be appointed or removed from the Committee by a majority vote of the Board of Directors.

## KEY RESPONSIBILITIES

The following functions shall be the primary duties and responsibilities of the Committee. The functions are set forth as a guide and may be varied from time to time consistent with this Charter, the Company's by-laws, and governing law, as appropriate under the circumstances. The Committee shall:

- Review and approve the Company's overall compensation philosophy, strategy and mix of compensation elements including salary structure, incentive compensation, long-term equity, severance and fringe benefit programs.
- In consultation with the Chief Executive Officer, review and approve the management bonus and equity incentive programs.
- Review the Company's compensation arrangements, policies and practices applicable to all employees to determine whether there are any risks arising from such arrangements, policies and practices that are reasonably likely to have a material adverse effect on the Company.
- In conjunction with the Chief Executive Officer, establish and maintain succession plans for the Chief Executive Officer and key executives.

- Review the Company's executive recruitment, development, and evaluation practices relating to compensation matters.
- Review and approve performance goals and objectives for the Chief Executive Officer, conduct an annual performance appraisal of the Chief Executive Officer against those goals and objectives, and set the Chief Executive Officer's compensation based on that appraisal.
- In consultation with the Chief Executive Officer, review and approve performance goals and objectives for executive officers, conduct an annual performance appraisal of the executive officers against those goals and objectives, and establish the executive officers' compensation based on that appraisal.
- Review and discuss with management the Compensation Discussion and Analysis ("CD&A") to be included in the Company's Proxy Statement and determine whether to recommend to the Board of Directors that the CD&A be included in the Proxy Statement and furnish for inclusion in such Proxy Statement its report with respect to such discussion and recommendation.
- Review and approve equity incentive grants to Section 16 Officers.
- Retain and terminate independent compensation advisors and approve all fees and retention terms.
- Perform such other duties as delegated by the Board of Directors.
- Report to the Board of Directors on a regular basis the Committee's activities.

#### **PROCEDURES AND RESOURCES**

The Committee shall meet as frequently as circumstances require. The Committee shall meet to determine the compensation of the Chief Executive Officer and at such other times as it deems appropriate. The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.

The Committee may form subcommittees and delegate authority to any subcommittee or other administrator, as appropriate. Minutes shall be kept of meetings, and the Committee shall make periodic reports to the Board of Directors.

The Company shall provide the Committee with such resources, personnel and assistance as needed to fulfill its duties. The Committee shall have the authority to retain any independent advisors to assist it as reasonably necessary in performing its duties.

The Committee shall conduct an annual evaluation of the Committee's performance as compared to the requirements of this Charter and to provide an annual report to the Board of Directors regarding the discharge of its responsibilities.