



COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee is appointed by the Board of Directors to fulfill the Board's responsibilities relating to the compensation of the Company's Chief Executive Officer and all other executive officers of the Company (collectively, the "Executive Officers"). The Committee has overall responsibility for approving, administering and evaluating the compensation of all executive officers of the Company as well as the annual corporate incentive plans and equity compensation plans for all employees.

The Committee shall design such compensation and plans to align compensation with the Company's performance, to ensure that the Company's compensation programs are designed to attract, retain and motivate executives with the skills and qualities necessary for the Company's success, and to promote the Company's objectives and shareholder interests. The Committee shall review and approve corporate goals and objectives relevant to compensation, evaluate the performance of the Company and the executives in light of those goals and objectives, and approve compensation levels and elements based on this evaluation and on such other factors as the Committee may consider relevant.

Committee Membership

The Committee shall be comprised of at least three members of the Board. The composition of the Committee shall comply with all such independence requirements as apply from time to time under the listing standards of the Nasdaq Stock Market, Rule 16b-3 under the Securities Exchange Act of 1934, and Section 162(m) of the Internal Revenue Code, subject to such available exceptions as the Board may approve.

The members of the Committee shall be appointed by the Board on the recommendation of the Corporate Governance Committee. One member of the Committee shall be appointed as Committee Chairman by the Board. Committee members may be replaced by the Board.

Committee Responsibilities

The Committee shall have the primary duties and responsibilities described below and may perform such other activities consistent with this Charter, the Company's By-Laws and governing law as the Committee or the Board deem appropriate or necessary. The Committee's primary duties and responsibilities are to:

- Establish the compensation arrangements of the Executive Officers, including without limitation base salary, incentive compensation and equity awards;
- Review and approve all employment and severance agreements with Executive Officers, all change-in-control agreements with Executive Officers and change-in-control provisions affecting any element of the Executive Officers' compensation and benefits, and any special or supplemental compensation or benefits for Executive Officers;

- Administer the Company's equity compensation plans and exercise such power and authority as may be permitted or required under such plans;
- Fix and determine awards to Executive Officers and employees under any of the Company's equity compensation plans, which function may be delegated as permitted by the respective plans and applicable law, but in no event may the Committee delegate such function with respect to awards to Executive Officers;
- Review and discuss with management the Company's Compensation Discussion and Analysis (CD&A) to be included in the Company's annual proxy statement and Annual Report on Form 10-K and determine whether to recommend to the Board such inclusion;
- Prepare an annual report on executive compensation for inclusion in the Company's annual proxy statement;
- Adopt and oversee policies regarding its ability to review the Company's incentive compensation arrangements, considering the Company's business objectives and an intention to promote appropriate practices and avoid excessive risk-taking;
- Adopt and oversee policies regarding the adjustment or recovery of incentive awards or payments if the performance measures upon which such incentive awards or payments were based are restated or otherwise adjusted in a manner that would reduce the size of the award; and
- Oversee the Company's compliance with SEC rules and regulations regarding shareholder approval of certain executive compensation matters, including advisory votes on executive compensation and the frequency of such votes, and the requirement under the Nasdaq rules that, with limited exceptions, shareholders approve equity compensation plans.

Committee Authority

Advisors

The Committee shall have the authority to engage or seek the advice of such experts and advisors as it deems necessary or advisable for the performance of its duties, including compensation consultants and independent counsel. The Committee shall at all times be responsible for the oversight, compensation and termination of such advisors. The Committee may retain such advisors only after considering the independence and potential conflicts of interests of such advisors, including such factors as may be required from time to time to be considered by the Securities and Exchange Commission or the Nasdaq Stock Market (including those required by Securities Exchange Act Rule 10C-1(b)(4) and Nasdaq Stock Market Rule 5605(d)(3)(C)). The Committee shall be provided with sufficient resources for the reasonable compensation of such advisors.

Delegation

Except as otherwise provided herein, the Committee may form and delegate authority and duties to subcommittees as it deems appropriate.

Procedures and Administration

Meetings

The Committee shall meet as often as it deems necessary, but not less three times per year, and minutes of such meetings will be kept. The Committee shall meet in executive session to determine

the compensation of the Chief Executive Officer and at such other times as it deems appropriate. The CEO shall not be present during any Committee deliberations or voting with respect to the CEO's compensation. The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary.

Reports to the Board of Directors

The Committee shall make regular reports to the Board of Directors.

Charter Review

The Committee shall periodically conduct an evaluation of the Committee's performance as compared to the requirements of this Charter and shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board.