

## **COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE Charter**

The Compensation and Management Development Committee shall consist of at least two and not more than four members of the Board of Directors, none of whom shall be an officer or employee of this Corporation and all of whom shall be “independent” directors as that term is defined by Nasdaq. Members of the Committee shall be appointed by the Board of Directors upon the recommendation of the Governance and Compositions Committee and may be removed by the Board of Directors in its discretion. The Committee shall have the following powers and duties and shall report thereon to the Board of Directors.

1. Recommend to the Board compensation and benefits for non-employee directors. In discharging this duty, the Committee shall be guided by three goals: compensation should fairly pay directors for the work required; compensation should align directors' interests with the long-term interests of shareowners; and the structure of the compensation should be simple, transparent and easy for shareowners to understand. At the end of each year, the Committee shall review non-employee director compensation and benefits;
2. Review and approve on an annual basis the corporate goals and objectives with respect to compensation for the chief executive officer, determine the salaries of all executive officers and review annually the salary plan for other executives in general management positions;
3. Review the company's base pay, incentive compensation, deferred compensation, and all stock-based plans and recommend changes in such plans as needed. The Committee shall have and shall exercise all the authority of the Board of Directors with respect to the administration of such plans;
4. Annually review the performance of the Chief Executive Officer and the corporation's senior executives, and assist the board in developing and evaluating potential candidates for executive positions, including the chief Executive Office, and oversee the development of executive succession plans;
5. Prepare and publish an annual executive compensation report in the company's proxy statement.

The Committee shall have the authority to delegate any of its responsibilities to subcommittees, as the Committee may deem appropriate in its sole discretion.

The Committee shall have the authority to retain appropriate consultants or advisors to assist in determining fair compensation levels in view of market and industry conditions, and to retain outside counsel and any other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

The Committee shall report its actions and recommendations to the Board after each Committee meeting and shall conduct and present to the Board an annual performance evaluation of the Committee. The Committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the Board for approval.