

## **COMPENSATION COMMITTEE CHARTER**

The Compensation Committee was established December 19, 1989. The Committee shall have the following composition and duties and shall function on the following terms:

1. The Committee shall be composed of three or more independent Directors who shall be neither officers of the Company nor disqualified from serving on the Compensation Committee by applicable rules of regulatory agencies or the New York Stock Exchange. Members of the Compensation Committee shall be elected annually by the Board upon the recommendation of the Corporate Governance Committee. The Chairperson of the Compensation Committee shall be appointed by the Board upon the recommendation of the Corporate Governance Committee.
2. Vacancies shall be filled by election by the Board upon the recommendation of the Corporate Governance Committee, and any member of the Committee may be removed by the Board.
3. Subject to the provisions of Item 4 below, the Committee shall fix its own rules of procedure and meet as provided by such rules or at the call of the Chairman of the Committee or a majority of the members. A majority of the Committee shall constitute a quorum. Except in cases in which it is by law, the Company's Articles of Incorporation, the Company's By-Laws, this Charter, or otherwise provided, a majority of the quorum shall decide any questions before the Committee.
4. Procedures fixed by the Committee shall be subject to any applicable provisions of the By-Laws of the Company relating generally to Committees of the Board. In addition, the Committee shall meet when necessary to prepare its recommendations to the Board concerning compensation of the executive officers of the Company and shall hold additional meetings as the members deem necessary or advisable to perform their duties and responsibilities in Item 5 below. Minutes shall be kept of each Committee meeting. The Committee shall report to the Board following each meeting.
5. In addition to such other duties and responsibilities as the Board may from time to time determine, the duties and responsibilities of the Committee shall include the following:
  - a. Determine the Chief Executive Officer's (CEO) compensation. The Compensation Committee shall annually review and approve the Company's corporate goals and objectives relevant to CEO compensation, and evaluate the CEO's performance in light of those goals and objectives. The Committee shall determine the CEO's compensation

levels based on this evaluation, such determination to be made either solely by the Committee or in conjunction with the other independent Directors, as directed by the Board. In determining the long-term incentive component of the CEO's compensation, the Compensation Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, awards given to the CEO in past years, and any other considerations that the Committee deems necessary.

- b. Recommend to the Board, on an annual basis, the annual salaries and other benefits provided for the executive officers.
  - c. Make recommendations to the Board regarding the adoption of incentive compensation plans and other equity-based plans in which the executive officers may be participants and regarding the exercise of any discretion in connection with awarding benefits under any such plans.
  - d. Undertake studies and make recommendations to the Board as the Board or the Committee may deem appropriate with respect to the Company's compensation structure and policies and the development of managerial personnel.
  - e. Prepare an annual report on executive compensation of the Company to be included in the Company's annual proxy statement in accordance with applicable rules and regulations.
  - f. Oversee the evaluation of executive management on at least an annual basis.
6. Notwithstanding the above, the Committee shall have full and final responsibility for administering the 2002 Long-Term Incentive Plan (or any substitute or replacement thereof) as provided therein.
7. The Committee may designate one or more subcommittees from among its membership, and delegate any of the duties set forth in this Charter to any such subcommittee. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting, or other advisors. In addition, the Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation and the sole authority to approve the consultant's fees and other retention terms.
8. Compensation of members shall be determined from time to time by the Board. Until otherwise determined, each member shall be paid the fee established by the Board from time to time for attendance by members of standing Committees of the Board for each meeting of the Committee attended by such member. In

addition, members of the Committee shall be reimbursed for all reasonable expenses incurred in attending such meetings.

9. The Company shall provide for appropriate funding, as determined by the Committee, for payment of (a) compensation of any advisers retained by the Committee and (b) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
10. The Corporate Governance Committee of the Board shall conduct an annual performance review of the Committee.