

# **COMPENSATION AND MANAGEMENT DEVELOPMENT COMMITTEE CHARTER**

## **January 24, 2006**

The Compensation and Management Development Committee of the board of directors assists the board in fulfilling its oversight responsibilities relating to officer and director compensation, succession planning for senior management, development and retention of senior management, and such other duties as directed by the board of directors.

- **STRUCTURE AND ORGANIZATION**

1. The committee will be composed solely of directors who are independent of the management of the company and are free of any relationship that may interfere with their exercise of independent judgment as a committee member, all in accordance with SEC and NYSE requirements, and also meet the requirements of Section 16 of the Securities and Exchange Act of 1934 and Section 162(m) of the Internal Revenue Code.
2. The committee will consist of at least three members of the board of directors. Committee members and the committee chair serve at the direction of the board of directors.
3. The committee is expected to meet four to six times a year or more frequently as deemed appropriate. The committee may ask members of management or others to attend the meetings and provide pertinent information as appropriate. Meetings are generally held in person but may also be held by video or telephone conference if necessary.
4. The committee has the authority to retain and terminate any consulting firm used to assist in the evaluation of director, CEO, or other officer compensation and to retain independent legal or other advisors, in each case as the committee may deem appropriate, including the authority to approve these firm's fees and other retention terms.
5. The committee or the board may reassign the responsibilities of this committee to a sub-committee or another committee of the board's choosing as long as the committee or sub-committee is composed entirely of independent directors.

The committee's responsibilities include:

- **GENERAL RESPONSIBILITIES**

1. Submit the minutes of all committee meetings and regularly report to the board of directors on committee matters.
2. Review and reassess the adequacy of this Charter annually and propose to the board any changes to the charter.
3. Prepare a report of the committee on executive compensation in accordance with SEC requirements to be included in the company's annual proxy statement.
4. Annually assess the committee's performance.
5. Perform such other functions assigned by law, the company's charter or bylaws, or the board.

- **RESPONSIBILITIES RELATED TO COMPENSATION**

1. Review and approve the company's compensation philosophy.
2. Review and approve on an annual basis the corporate goals and objectives with respect to compensation for the CEO. The committee will evaluate at least once a year the CEO's performance in light of these established goals and objectives and based upon these evaluations shall determine and approve the CEO's annual compensation, including salary, bonus, incentive and equity compensation.

3. Review and approve on an annual basis the evaluation process and compensation structure for the company's other officers, including specific approval of salary, bonus, incentive and equity compensation for executive officers.
  4. Review the company's incentive compensation and other equity-based plans and recommend changes in such plans to the board as needed. The committee may exercise the authority of the board with respect to the administration of such plans.
  5. Periodically review and make recommendations to the board regarding the compensation of non-management directors, including board and committee retainers, meeting fees, equity-based compensation, and such other forms of compensation as the committee may consider appropriate.
  6. Review and approve for executive officers, including the CEO, any employment, severance or change in control agreements.
  7. Approve any loans to employees at the Vice President level or above as allowed by law.
- **RESPONSIBILITIES RELATED TO MANAGEMENT SUCCESSION PLANNING, DEVELOPMENT AND RETENTION**
    1. Oversee creation of development and retention plans for certain senior management positions, including the CEO.
    2. Oversee the appointment and removal of executive officers.