

# **MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE CHARTER**

**(Adopted as of December 14, 2004)**

## **Purpose**

The Management Development and Compensation Committee is appointed by the Board of Directors to assist the Board in discharging its responsibilities relating to overseeing the Company's overall compensation programs and determining compensation of the Company's directors and elected officers. The Committee is also responsible for producing an annual report on executive compensation for inclusion in the Company's proxy statement. The Committee also has general responsibility for insuring that the Company has in place policies and programs for the development of senior management and senior management succession.

## **Committee Membership**

The Management Development and Compensation Committee shall consist of not less than three members. The members shall meet the independence requirements of the New York Stock Exchange and such other standards as may be established by the Governance Committee. The members of the Management Development and Compensation Committee shall be appointed by the Board upon the recommendation of the Governance Committee.

## **Committee Authority and Responsibilities**

1. The Management Development and Compensation Committee shall annually review and make recommendations to the Board with respect to the compensation of directors, including incentive and equity based compensation plans. Those directors who are also elected officers of the Company are not eligible to receive any such director compensation.
2. The Management Development and Compensation Committee shall annually review candidates for elected officer positions and endorse nominees for election by the Board.
3. The Management Development and Compensation Committee shall have authority to retain and terminate consultants to assist in the evaluation of director, Chief Executive Officer or elected officer compensation and shall have the authority to approve the consultant's fees and other retention terms.
4. The Management Development and Compensation Committee shall review at least annually senior management succession planning and periodically review

Company policies and programs for the development of management personnel. These reviews may take place at private sessions of the Board of Directors.

5. The Management Development and Compensation Committee shall approve annual and long-term incentive compensation plans of the Company.
6. The Management Development and Compensation Committee shall annually review and approve, for elected officers of the Company who are not also directors, annual base salary level, annual incentive compensation, and long-term incentive compensation.
7. The Management Development and Compensation Committee shall recommend to the independent directors the compensation of the Chief Executive Officer based on the independent directors' evaluation of the Chief Executive Officer and the Company's financial performance, shareholder return, competitive compensation data, and such other factors as the Management Development and Compensation Committee shall deem relevant. The Management Development and Compensation Committee shall also recommend to the independent directors the compensation of any other employee director.
8. The Management Development and Compensation Committee shall review and approve employment agreements, severance agreements and change in control agreements, and any additional special or supplemental benefits, for elected officers who are not also directors. Any such agreements or benefits for elected officers who are also directors shall be approved by the independent directors.
9. The Management Development and Compensation Committee shall review and approve establishment of, changes in, or delegations of authority with respect to, Company retirement and benefit plans for senior management, and shall review and approve any proposed significant changes in plan design for other employee retirement and benefit plans.
10. The Management Development and Compensation Committee shall make regular reports to the Board.
11. The Management Development and Compensation Committee shall annually review and assess the adequacy of this charter, and recommend any proposed changes to the Board for approval.
12. The Management Development and Compensation Committee shall annually review its performance, and report to the Board thereon.