

## **COMPENSATION COMMITTEE CHARTER**

### **Purpose**

The Compensation Committee (“Committee”) is appointed by the Board to discharge the Board’s responsibilities relating to compensation of the Company’s directors and officers, as well as the Company’s compensation and benefit strategies. The Committee has overall responsibility (i) to review and approve the CEO’s compensation, (ii) to review and approve the compensation plans and policies for officers, (iii) to review and recommend to the Board the compensation of directors, (iv) to review and recommend to the Board any equity-based compensation plan, (v) to oversee generally actions related to the Company’s benefit or ERISA plans, (vi) to prepare an annual report of executive compensation for the Company’s proxy statement as required by regulations of the SEC and (vii) to conduct an annual performance evaluation of the Committee.

### **Committee Operations**

The Committee shall consist of three or more members, each of whom is, in the judgment of the Board, “independent” under the rules of the New York Stock Exchange, is a “non-employee director” for purposes of Rule 16b-3 of the Securities Exchange Act of 1934, and is an “outside director” for purposes of Section 162(m) of the Internal Revenue Code.

Members of the Committee shall be appointed by the Board based on recommendations of the Governance Committee and shall serve at the pleasure of the Board and for such term or terms as the Board may determine. The Governance Committee shall take into account such matters as it deems appropriate relating to the backgrounds, experience, aptitudes and interest of members of the Board, as well as the needs of the Committee, in determining from time to time which directors should serve as members of the Compensation Committee. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies on the Committee. The Board shall designate one member of the Committee as its chairperson.

The Committee shall generally meet in person at each regularly scheduled Board meeting and shall meet at such other times in person or telephonically when deemed necessary or desirable by the chairperson or the Committee. The Committee may delegate specific functions to subcommittees, officers or other committees in order to perform its duties and responsibilities.

A majority of the members of the Committee shall constitute a quorum at a meeting, and a majority of a quorum shall constitute action by the Committee, except when action is taken by written consent which shall require unanimous written consent of all members of the Committee. The Committee shall fix its other rules of procedure, except as expressly provided in this Charter, the Certificate of Incorporation or bylaws of the Company, the Company’s Corporate Governance Guidelines, or as otherwise provided by

law or the rules of the New York Stock Exchange.

### **Resources and Authority**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including obtaining advice and assistance from internal and external counsel, accountants and other advisors. The Committee shall have sole authority to select, retain and terminate a compensation consultant to assist in the evaluation of director, CEO and executive compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Committee will periodically review whether principles of sound corporate governance suggest that there should be rotation of the compensation consultant.

### **Committee Duties and Responsibilities**

1. Annually review and approve corporate goals and objectives relevant to CEO compensation, set the target or opportunity level, evaluate the CEO's performance in light of those goals and objectives, and set the CEO's compensation components (base salary, annual incentive and long-term incentive) based on this evaluation. In determining the long-term incentive component of the CEO's compensation, the Committee will consider, among other factors, the Company's performance, the CEO's individual performance during the period evaluated, the CEO's stock ownership status and goals, the value of similar incentive awards to chief executive officers at comparable companies, the awards given to the CEO in past years and such other matters as the Committee deems appropriate. The Committee will review and recommend to the Board any employment agreement, severance arrangement or change in control agreement applicable to the CEO.
2. Annually review and approve for the other senior executives (including SVPs and above and managing directors of principal subsidiaries), (i) annual base salary level, (ii) annual incentive awards, (iii) long-term incentive awards, (iv) any employment agreement, severance arrangement, change in control agreement or participation in any change in control program, in each case as, when and if appropriate to the individual, and (v) special or supplemental benefits not covered by Company policies reviewed with the Committee. The Committee will receive reports periodically as to interim changes in base salary for other senior executives deemed appropriate by the CEO and as to new hires at the senior executive level. Annually the Committee will review and approve the methodology (including factors, goals and weights) used by executive management of the Company in connection with determining annual and long-term incentive awards for participants in such incentive plans including approval for individual awards requiring Committee approval under the plan documents.

3. Review and approve any new incentive or performance plan relating to compensation of officers.
4. Review and recommend to the Board all equity-based incentive plans and discharge any responsibilities delegated to the Committee by any of these plans.
5. In consultation with executive management, oversee regulatory compliance with respect to compensation matters, including the Company's policies on structuring compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
6. Review and recommend to the Board the form and amount of director compensation that will reflect the general policy of having a portion that is equity-based and a portion that is in cash. The compensation arrangement will reflect: (i) alignment of interest of directors and stockholders, (ii) a fair level of compensation for committed, capable contribution, (iii) the diverse needs of the Board members, and (iv) consideration of sound corporate governance trends and practices.
7. In connection with the Company's employee benefit ERISA plans, the Committee is delegated the Board's overall authority which in turn is delegated primarily to the Benefit Finance Committee, except that the Committee in its general oversight of the Company's ERISA plans may provide input to the considerations of the Benefit Finance Committee and the Committee retains (i) the authority to approve new ERISA plans or make changes to existing plans, (ii) the authority to receive and review annual and quarterly reports relating to the performance and operations of the ERISA plans, (iii) power to appoint members of any committees having ERISA plan responsibilities that report to the Committee, and (iv) periodic review of the benefit plan fiduciary structure.
8. The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
9. Any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company's compensation programs, whether by resolution or by the terms of a plan approved by the Board.

### **Committee Reports**

The Committee shall provide the following reports to the Board:

1. An annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's proxy statement in accordance with SEC regulations.

2. An annual performance evaluation of the Committee, which should compare the performance of the Committee with the requirements of this Charter. The performance evaluation should also recommend to the Board any improvements in this Charter deemed necessary or desirable by the Committee. The performance evaluation shall be conducted in such manner as the Committee deems appropriate. The report to the Board may take the form of an oral report by the chairperson of the Committee or any other member of the Committee designated by the Committee to make the report.
3. A summary of actions taken at each Committee meeting shall be reported on a regular basis to the Board.