



## **FINANCE COMMITTEE CHARTER**

### **1. PURPOSE**

The primary purposes of the Finance Committee of the Board of Directors are to:

- Review and approve uses of the Company's capital resources and delegations of authority
- Review significant financial matters involving the Company
- Inform and advise the Board on significant financial matters involving the Company

### **2. RESPONSIBILITIES**

The Committee shall have the following authority and responsibilities:

#### **2.1 Review of Financial Authority Policy**

The Committee will periodically review and assess the adequacy of the Financial Authority Policy attached as Exhibit 1 and recommend changes to the Board of Directors when appropriate.

#### **2.2 Review of Financial Transactions**

- The Committee will make decisions on items involving a financial commitment by the Company where a Committee decision is required under the Policy
- The Committee will undertake the preliminary discussion and review and then make recommendations to the Board regarding items involving a financial commitment by the Company where a Board decision is required under the Policy

#### **2.3 Review of Financial Matters**

The Committee will review and, where appropriate, will make recommendations to the Board regarding all financial matters involving the Company and ensure that proposed transactions are consistent with and further the Company's strategic and annual goals. The financial matters under the Committee's review include the following:

- Overall financial position, policies and procedures
- Long- and short-term financial condition
- Corporate financing strategy
- Tax compliance and planning
- Banking and capital markets relationships
- Capital structure and financial restructuring issues
- Project financing, including joint venture financing
- Acquisitions
- Dispositions
- Mergers and business combinations
- Insurance coverage
- Cash management and investment policies

#### **2.4 Management Reports to the Board**

The Committee shall review with management the form of financial presentations to the Board to ensure that management addresses, in advance, all aspects of a particular issue, transaction or project that the Board may consider important including the following:

- Total financial exposure
- Funds expended to date
- Timing and schedule
- Expected returns
- Capital market implications
- Risk factors
- Any other issues relevant to making a fully informed decision

The presentation should also show the overall impact of transactions or projects being proposed and how the transactions fit within the strategic plan.

Management will furnish to the Board on a regular basis (but no less frequently than the Board meets) a brief, written report of current activity, in a format acceptable to the Committee.

## **2.5 Review of Committee Charter**

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval.

## **2.6 Performance Evaluation**

The Committee will conduct an annual review and evaluation of its conduct and performance.

## **2.7 Performance of Additional Responsibilities**

The Committee shall perform such other functions as the Board may from time to time assign to the Committee.

# **3. COMPOSITION**

The Committee will be made up of Directors selected by the Board and will include one member of management. The Board shall elect Committee members and the Committee Chair annually at the first meeting of the Board following the annual stockholders meeting. The Board may remove a member of the Committee, with or without a formal recommendation by the Corporate Governance Committee, by a majority vote of the Board.

The Committee shall have the authority to delegate any of its responsibilities to a subcommittee of Directors, as the Committee may deem appropriate.

# **4. MEETINGS**

The Committee will meet as necessary to satisfy the purposes of the Corporate Governance Guidelines and this Charter. Unless the Board or Committee adopts other procedures, the provisions of the Company's Bylaws pertaining to meetings of the Board shall govern the conduct of meetings of the Committee. The Committee may invite Company officers or other persons to the meetings, as the Committee deems appropriate.

# **5. COMMITTEE RESOURCES AND ACCESS TO INDEPENDENT ADVICE**

The Committee will have the authority to select and retain independent external professionals (including consulting firms, counsel, accountants, and others) as the Committee may deem appropriate to carry out its duties under this Charter.

Company counsel and accountants (both in-house and outside) will be responsible to provide the Committee with regularly updated advice covering the overall legal and regulatory responsibilities of the Committee, including any materials and analyses requested by the Committee.

**6. COMMUNICATION WITH THE BOARD**

The Committee will maintain full, open, and candid communications with the Board. Following each Committee meeting, the Committee shall present to the Board at the next Board meeting a summary of the Committee's activities.

Adopted May 5, 2004

## EXHIBIT 1

### **FINANCIAL AUTHORITY POLICY**

The Chief Executive Officer, and other officers and agents of the Company to whom the Chief Executive Officer delegates the authority, shall be authorized to enter into transactions on behalf of the Company and its subsidiaries except for the following transactions, which will require approval of the Board of Directors or the Finance Committee, as set forth below:

#### **FINANCE COMMITTEE APPROVAL**

1. Transactions not within an approved Strategic Plan or an approved Operating Plan requiring the investment of more than \$10 million in total capital (including land).

#### **BOARD APPROVAL**

1. Any commitment for Speculative Development where outstanding Speculative Commitments Company-wide then amount to at least \$300 million. For purposes of this Financial Authority Policy, "Speculative Development" is defined as capital associated with the construction of any commercial building that is not at the time of the determination 50% leased or pre-leased;
2. Any individual commitment in excess of \$100 million in total capital (including land);
3. Any sale of an asset or a group of assets in excess of \$100 million in consideration;
4. Any transaction undertaking debt over \$100 million;
5. Any equity transaction involving common or preferred stock or convertible debt, other than the grant of options or director stock units pursuant to duly approved compensation plans;
6. Transactions not within an approved Strategic Plan or an approved Operating Plan requiring the investment of more than \$50 million in total capital (including land);
7. Political contributions in excess of the maximum aggregate approved budget in the approved Operating Plan; and
8. Charitable contributions in excess of the maximum aggregate approved budget in the approved Operating Plan.

All other transactions shall require only such approvals as may be set forth in the Company's internal financial authority policy, which shall be determined from time to time by the senior management of the Company.