

## **NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

### **Purpose**

The Nominating and Governance Committee is appointed by the Board (1) to assist the Board by identifying individuals qualified to become Board members and to recommend to the Board the director nominees for the next annual meeting of shareholders or any vacancies; (2) to recommend to the Board compensation for Board members; (3) to recommend to the Board the Corporate Governance Guidelines applicable to the Company; (4) to lead the Board in its annual review of the Board's performance and to oversee the annual review of the CEO's performance and the performance of executive management; and (5) to recommend to the Board director nominees for each committee.

### **Committee Membership**

The Nominating and Governance Committee shall consist of no fewer than three members. The members of the Nominating and Governance Committee shall meet the independence requirements of the New York Stock Exchange.

The members of the Nominating and Governance Committee shall be appointed by the Board on the recommendation of the Nominating and Governance Committee. Nominating and Governance Committee members may be replaced by the Board.

### **Committee Authority and Responsibilities**

The Nominating and Governance Committee shall have the following authority and responsibility:

1. The Nominating and Governance Committee shall develop and maintain criteria and procedures for the identification and recruitment of candidates for election to serve as directors of the Corporation. The Committee shall identify and recommend to the Board individuals qualified to become Board members, including consideration of the performance of incumbent directors in determining whether to nominate them for re-election. The Nominating and Governance Committee shall also recommend director nominees for the next annual meeting of shareholders to the Board and, as appropriate, to the shareholders of the Corporation, and make recommendations on the retirement policy of the Board. The Nominating and Governance Committee shall also recommend to the Board director nominees where a vacancy is created due to death, resignation, retirement or removal of a Director, or any other such reason. The Nominating and Governance Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and shall have sole authority to approve the search firm's fees and other retention terms. The Nominating and Governance Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

2. The Nominating and Governance Committee shall review and reassess the adequacy of the corporate governance guidelines of the Company and recommend any proposed changes to the Board for approval.
3. The Nominating and Governance Committee shall study and review with the Board the overall effectiveness of the organization of the Board and the conduct of its business, and make appropriate recommendations to the Board with regard thereto on an annual basis. The review shall include the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole, including members' qualification as independent, as well as consideration of age, diversity, experience, and skills in the context of the needs of the Board.
4. The Nominating and Governance Committee shall review and recommend to the Board from time to time the directors to be selected for membership on the various Board committees, and the responsibilities, organization and membership of existing and creation of new Board committees; excluding, however, special purpose committees established by the Board of Directors.
5. The Nominating and Governance Committee shall review from time to time compensation (including benefits) for services to the Corporation by its directors, and make recommendations with regard thereto to the Board.
6. The Nominating and Governance Committee shall consider the adequacy of the number of Board of Directors' meetings per year.
7. The Nominating and Governance Committee should make an annual report to the Board on management succession planning. The succession planning should include policies regarding succession in the event of an emergency or the retirement of the CEO.
8. The Nominating and Governance Committee shall oversee the annual CEO evaluation process and report the results of the evaluation to the Compensation Committee and the Board. The Nominating and Governance Committee shall oversee any executive management evaluation process.
9. The Nominating and Governance Committee shall be responsible for reviewing with management any proposed major organizational changes to the Company.
10. The Nominating and Governance Committee shall perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board of Directors.
11. The Nominating and Governance Committee may form and delegate authority to subcommittees when appropriate.

12. The Nominating and Governance Committee shall make regular reports to the Board.

13. The Nominating and Governance Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Nominating and Governance Committee shall also oversee the review of all the committee charters.

14. The Nominating and Governance Committee shall annually review its own performance.

M:\Nominating and Governance Committee\Charter\Charter Approved 020603