

NOMINATING AND GOVERNANCE COMMITTEE CHARTER

I. Purpose

The Nominating and Governance Committee (the "Committee") is appointed by the Board of Directors (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 develop and recommend to the Board for implementation the Corporate Governance principles and policies applicable to the Company; (3) to lead the Board in its annual review of the Board's performance; (4) to recommend to the Board director nominees for each committee; and (5) otherwise to take a leadership role in shaping the corporate governance of the Company.

II. Organization

A. Composition of the Nominating and Governance Committee

The Committee shall consist of no fewer than three members of the Board. The members of the Committee shall meet the independence requirements of the NASDAQ Stock Exchange and such other rules and regulations as may be appropriate. The members of the Committee shall be appointed by the Board on the recommendation of the previous Nominating and Governance Committee.

Vacancies on the Committee shall be filled upon recommendation of the remaining members of the Committee at the next meeting of the Board following the occurrence of the vacancy. Members of the committee may be removed, with or without cause, by a majority vote of the Board.

B. Meetings/ Minutes/ Reports

The Committee will meet as often as necessary to carry out its responsibilities. Reports of meetings of the Committee shall be made to the Board at its next regularly scheduled meeting following the Committee meeting accompanied by any recommendations to the Board approved by the Committee.

The Board shall select a chairman (the "Chairman") who will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each upcoming meeting. A majority of the members of the Committee present in person or by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other shall constitute a quorum. In addition, at the first meeting of the Committee and at each first meeting held in each successive year, the Chairman, in consultation with the other members of the Committee, shall propose a list of items to be addressed by the Committee during the coming year.

The Chairman shall ensure that the agenda for each upcoming meeting of the Committee is circulated to each member of the Committee as well as to each other director in advance of the meeting, and that the list of items to be addressed by the Committee during the coming year is circulated to each member of the Committee as well as to each other director. The Chairman, subject to the approval of a majority of the members of the Committee, shall have the authority to change the agenda to respond to any matters that warrant attention.

C. Authority

The Committee shall have the resources and authority appropriate to discharge its responsibilities. To the extent it deems necessary or appropriate, the Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, an independent search firm, independent counsel or other advisers as it deems necessary.

III. Responsibilities of the Nominating and Governance Committee

- A. The Committee shall develop and maintain criteria and procedures for the identification and recruitment of candidates for election to serve as directors of the Company, and shall establish qualifications criteria for director candidates.
- B. 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 reelection. The 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.
- C. The Committee shall make recommendations on the retirement policy of Board members.
- D. The Committee shall develop and recommend to the Board for its approval a set of corporate governance principles. The Committee shall review and assess the adequacy of the corporate governance guidelines of the Company and recommend any proposed changes to the Board for approval. The Committee shall develop the Sarbanes-Oxley Act-mandated code of ethics and the appropriate code of business conduct for the Chief Executive Officer, the Chief Financial Officer and the Company's employees and Directors.
- E. The 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 member's

independence under applicable statutes and rules, as well as consideration of age, diversity, experience, and skills in the context of the needs of the Board.

F. The Committee shall review and recommend to the Board annually 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 special purpose committees established by the Board of Directors.

G. The Committee shall consider the adequacy of the number of Board meetings per year.

H. The Committee shall review and make an annual report to the Board on management succession planning. The succession planning shall include policies regarding succession in the event of an emergency or the retirement of the CEO.

I. The Committee shall be responsible for reviewing with management any proposed major organizational changes to the Company.

J. The Committee shall perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board.

IV. Evaluation of the Committee

The Committee shall, on an annual basis, evaluate its performance under this Charter. In conducting this review, the Committee shall evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The Committee shall address all matters that the Committee considers relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

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