



## **Nominating and Corporate Governance Committee Charter**

The Committee shall assist the Board of Directors in identifying and evaluating potential nominees for a directorship, and recommending qualified nominees to the Board for appointment by the Board or consideration by the shareholders. This function shall relate to new Board memberships and the re-election of existing Board members. In doing so, the Committee will consider its own recommendations and any written recommendation of a Shareholder in accordance with the Governance Guidelines of the Corporation.

In addition, the Committee is to review and recommend to the Board changes in the Principles of Corporate Governance and Governance Guidelines of the Corporation.

The Committee shall consist of three or more members of the Board, each of whom is "independent" under the rules of The NASDAQ Stock Market, Inc. Candidates to fill vacancies in the Committee shall be nominated by the Committee as set forth below and appointed by the Board. Individuals appointed to the Committee shall serve at the pleasure of the Board and for such term or terms as the Board may determine.

### **Committee Duties and Responsibilities**

The Committee has the following responsibilities:

- To make recommendations to the Board from time to time to change the size of the Board.
- Seek out qualified nominees from all appropriate sources and provide a career profile of each recommended nominee to the Board that includes a summary of the nominee's background and qualifications for membership, consistent with the procedures, qualities and guidelines for Director nominees set forth in the Governance Guidelines of the Corporation. The Committee will consider persons recommended by shareholders to become nominees for election as directors in accordance with the criteria set forth in the Governance Guidelines. The Corporation's bylaws also set forth certain requirements for shareholders wishing to nominate director candidates directly for consideration by shareholders.
- Make a recommendation to the Board as to the class of directors in which a Director nominee should serve.
- Not less than six months prior to the date on which the Corporation's nominations to the Shareholders for election or re-election of Directors are due, review, either alone or with the input of the entire Board, the performance of each person potentially standing for election or re-election and make appropriate recommendations.
- To qualify and identify Board members to fill vacancies on any committee of the Board (including the Committee) and to recommend that the Board appoint the identified member or members to the respective committee. In nominating a candidate for committee membership, the Committee shall take into consideration the factors set forth in the Governance Guidelines, as well as any other factors it deems appropriate, including without limitation the consistency of the candidate's experience with the goals of the committee and the interplay of the candidate's experience with the experience of other committee members. In making recommendations to the Board of nominees to serve as directors, the Committee will examine each director nominee on a case-by-case basis regardless of who recommended the nominee and take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills or financial acumen, diversity of viewpoint, industry knowledge and whether the nominee will be an effective participant on the Board. However, the Committee believes the minimum qualifications for a director set forth in the Governance Guidelines must be met by a director nominee to be recommended by the Committee.
- Not less than annually report to the Board concerning Board and individual Director performance and other matters deemed by the Committee to be appropriate.

- Establish procedures for the Board to conduct not less than annually a selfevaluation of its performance.
- Approve a program of initial orientation to the Corporation for new Directors, such program to include comprehensive briefings on the operations, finances, strategies and opportunities of the Corporation, as well as on corporate development activities, management and other human resources, audit, security, control and legal issues of the Corporation.
- Develop and supervise a program of ongoing Director education in accordance with rules established by NASDAQ.
- Review from time to time, and make recommendations to the Board with regard to, situations involving a potential conflict of interest involving Directors or senior management.
- Review and recommend changes to the Principles of Corporate Governance and Governance Guidelines of the Corporation.
- Perform any other duties or accept any responsibilities expressly delegated to the Committee by the Board from time to time relating to the nomination of Board and Committee members.

## **Committee Operations**

This Committee meets at least annually, in the summer or fall, and at such other times as it shall deem appropriate or desirable. Special meetings may be called from time to time as deemed necessary by the Committee, or at the request of the Chairman of the Board or the Chief Executive Officer. An agenda will be published prior to each meeting and minutes will be prepared reflecting actions taken at each meeting.

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

## **Committee Reports**

The Committee shall produce the following reports and provide them to the Board.

- An annual performance evaluation of the Committee's performance relative to the requirements of this Charter and set forth the goals and objectives of the Committee for the upcoming year. The performance evaluation shall also include recommendations to the Board for any improvements to this Charter deemed necessary or desirable by the Committee. The performance evaluation by the Committee shall be conducted in such manner as the Committee deems appropriate. An annual report to the Board concerning Board and individual Director performance and other matters deemed by the Committee to be appropriate.
- An annual report to the Board concerning Director orientation and education.
- Written minutes, which shall be presented to the Board at the next Board meeting.

In addition to written minutes, reports 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 a report.

## **Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants and approve their fees.

Adopted by the Board of Directors on April 3, 2003 as Amended February 18, 2004