

CORPORATE GOVERNANCE GUIDELINES

The Company maintains a strong commitment to corporate governance. The Board of Directors of the Company has adopted the following principles by which the Company operates. The Board will review these principles from time to time and make such changes as it deems necessary and appropriate.

1. Role of the Board of Directors

The Board of Directors is elected by shareholders to provide oversight and strategic guidance to senior management. The Board has a fiduciary duty to act in the best interest of the Company. In exercising that duty, the Board must be able to rely upon the honesty and integrity of the Company's senior management, auditors and outside advisors. Responsibility for day to day operations of the Company's business is entrusted to the Chief Executive Officer and senior management, to whom the Board has given authority and responsibility.

2. Director Independence

The Board will maintain at least a majority of its members who meet the criteria for independence established by the Nasdaq Stock Market. The Board will continue to include the Chief Executive Officer as a director.

3. Director Vacancy

The Articles of Incorporation and By-laws provide that when there is a vacancy on the Board, the remaining members may elect a replacement to serve until the end of the original term vacated. Nevertheless, it is the policy of the Company to present such replacement at the next annual shareholders meeting for formal ratification by shareholders. If the election of such replacement fails to be ratified by shareholders, such replacement shall be asked to resign.

4. Board Committees

The By-laws give the Board authority to appoint committees of the Board. The Corporate Governance Committee recommends to the Board the various members and Chairpersons of committees. The Committees include Executive, Audit, Compensation and Corporate Governance. In addition, the Corporate Governance Committee may recommend other ad hoc committees from time to time and the Board may establish additional standing or ad hoc committees from time to time. Chairpersons and members of committees receive additional compensation for committee service.

5. Board Access to Independent Advisors

The Board and its Committees have the authority to obtain advice and assistance from internal or external legal, accounting or other advisors, at the Company's expense, without consulting with or obtaining the prior approval of management of the Company.

6. Director Education

The Company will reimburse the expenses incurred by a director in attending continuing education seminars relevant to his or her duties as a director of the Company.

7. Director Retirement

The Board has adopted a formal policy on retirement. Under this policy, Board membership ends upon the completion of the current term during which the director reaches the age of 70. However, the Board, based upon the recommendation of the Corporate Governance Committee, may approve exceptions to the retirement policy when a director continues to be involved in activities and relationships that are compatible with continued service on the Board.

8. Service on Other Public Boards

A director may serve on the boards of no more than three publicly traded companies other than the Company.

9. Transactions with Directors

Board has established a process under which all transactions between the Company or its subsidiaries and any director or executive officer be presented to the Corporate Governance Committee for approval prior to entry into such transaction.

10. Executive Sessions of Non-Management Directors

Non-Management directors will meet in executive session (no member of management present) from time to time at the end of regularly scheduled Board meetings. The Corporate Governance Committee is responsible for providing a chairperson for each such session.

11. Strategic Business Review and Meetings at Major Facilities

At least once each year, the Company will hold an all day session to review in detail the Company's businesses and the strategic goals of the Company's businesses. Members of the senior management team will make presentations during the Strategic Business Review and be available to answer any questions by the Board. In addition, members of the senior management team are always available to the Board for questions and discussion. Also, in order to provide the Board with a comprehensive view of the Company's business and an opportunity to speak with all associates of the Company, the Board will endeavor to hold at least one meeting each year at one of the Company's major facilities.