

## COMPENSATION COMMITTEE CHARTER

### MEMBER QUALIFICATION AND SELECTION

The Compensation Committee and its Chair shall be appointed by the Board of Directors, to serve at the discretion of the Board, and shall be comprised of at least three directors, each of whom shall meet applicable independence requirements, including those of the New York Stock Exchange (“NYSE”), and shall qualify as “non-employee directors” under Rule 16b-3 of the Securities Exchange Act of 1934.

### MEETINGS

The Committee shall meet regularly, or more frequently as the Committee as a whole or the Chair may from time to time determine to be appropriate. At all meetings of the Committee a majority of the Committee members shall be necessary to constitute a quorum for the transaction of business. Members of the Committee may participate in meetings by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at the meeting. The Committee may also act as otherwise permitted by law or the Company's Bylaws.

### STATEMENT OF POLICY

The Committee shall discharge the Board's responsibilities relating to compensation of the Company's executives and oversight of compensation program compliance with regulatory requirements. The Committee also shall produce its annual report on executive compensation to be included in the Company's annual proxy statement.

### RESPONSIBILITIES AND PROCESSES

- Review and approve corporate goals and objectives relevant to compensation of the Chief Executive Officer, evaluate the Chief Executive Officer's performance in light of such goals and objectives, and have sole authority to set the Chief Executive Officer's compensation based on such evaluation. Deliver a report to the Board at least annually regarding Chief Executive Officer Compensation.
- Review and approve the adoption, amendment, and termination of additional compensation plans, incentive-compensation plans, equity compensation plans, pension and profit-sharing plans, stock purchase plans, bonus plans, deferred compensation plans, executive perquisites, employment agreements, change in control agreements, severance agreements, and other similar plans, agreements and programs to the extent applicable to executive officers (the “Compensation Plans”). To the extent that any action under any Compensation Plan requires formal Board or Executive Committee approval, including any equity-based plan subject to shareholder approval, the Committee shall make its recommendation to the Board or the Executive Committee for final action.
- Oversee the design of and approve changes to the Compensation Plans, and review and approve grants of equity awards to executive officers. To the extent that any action under any Compensation Plans requires formal Board or Executive Committee approval, the Committee shall make its recommendations to the Board, or the

Executive Committee, for final action.

- Review and approve or ratify the salaries of, and oversee the evaluation process for, all executive officers of the Company.
- Review and approve the recommendations of the Chair of the Board and/or the Chief Executive Officer with respect to the aggregate amount of the annual cash incentive bonus to be paid for any fiscal year. The Chair of the Board and/or the Chief Executive Officer shall submit recommendations to the Committee as to the annual cash incentive payments to be made to all executive officers of the Company. The Committee shall review and approve the annual cash incentive plans and the annual cash incentive payments to be made to all executive officers of the Company.
- The Committee is authorized to determine awards and to administer each of the Stock Option and Incentive Shares Plans of the Company, presently or hereafter in effect, as more fully provided in such Plans or any Plan Amendments.
- Be generally responsible for monitoring, approving and administering all executive compensation, payable in cash or otherwise, and all executive benefits (other than benefits generally available to all employees) which in the Committee's opinion, or by Bylaw or regulation, are not management prerogatives.
- Monitor the levels of stock ownership of Company executives to determine if modifications to compensation programs and policies are needed to build executive stock ownership levels.
- Receive briefings from the Committee's executive compensation consultant on current trends, developments, and emerging issues in executive compensation outside of the Company.
- Review and approve the Compensation Discussion and Analysis ("CD&A") to determine whether to recommend inclusion of the CD&A in the Company's annual report, proxy statement or other appropriate document(s) filed with the Securities and Exchange Commission.
- Review at least annually a risk assessment of the Company's Compensation Plans.
- The Committee and its members shall have unrestricted access to management. The Committee shall have sole discretion, in its areas of responsibility, at Company expense, to retain, obtain the advice of, and terminate compensation consultants, independent legal counsel or other advisors, including sole authority to approve the fees and retention terms for such advisors, if it shall determine the services of such advisors to be necessary or appropriate. The Committee shall have oversight of such advisors. Prior to retaining any such advisor, the Committee shall assess the independence of such advisor from management, taking into consideration all factors relevant to such independence, including those specified by the NYSE and the Securities Exchange Act of 1934. Should any member of the Committee believe that participation of management

or independent advisors in any discussion of a particular subject at any meeting would be advisable, they are free to make such request.

- Working with the Chair of the Board and/or the Chief Executive Officer, be responsible for: (a) monitoring and keeping current the Senior Management Succession Plan; and (b) in the event of the death, incapacity, resignation or other absence (temporary or permanent) of the Chief Executive Officer, the Committee Chair shall immediately appoint a Succession Committee, consisting of the Committee plus two other independent Directors, to confer and recommend for election by the full Board an acting or successor Chief Executive Officer.
- Determine from time to time (when necessary or appropriate) and pursuant to Article VII of the Company's Bylaws dealing with indemnification, whether service by an officer, Director, employee or agent of the Company as a director, officer, employee or agent of another corporation, joint venture, trust or other enterprise is or was at the request of the Company.
- Authorize, approve or ratify all Company contributions to benefit plans (other than qualified defined benefit plans) and trusts, adopt new benefit plans, and amend or terminate all present or future such plans, in each case when not the prerogative of management and approval thereof by the Board or a Committee thereof is required.
- The Committee may, when appropriate in its discretion, delegate authority with respect to specific matters to one or more members, provided that all decisions of any such members are presented to the full Committee at its next scheduled meeting. To the extent permitted by applicable laws and regulations and guidelines of the NYSE, the Committee may also delegate to the Chief Executive Officer of the Company the authority, within guidelines established by the Committee, to approve equity-based awards under established equity compensation plans of the Company to employees other than those employees who are subject to the reporting requirements of Section 16(a) of the Securities Exchange Act of 1934.

## **REPORTS TO THE BOARD AND PERFORMANCE EVALUATION**

The Committee shall report to the Board of Directors regularly regarding issues that arise in connection with the performance of its responsibilities outlined herein. The Committee shall review and reassess the adequacy of this Charter at least annually and obtain the approval of the Board of Directors for any proposed change to the Charter. The Committee shall conduct an annual evaluation of its performance pursuant to procedures established by the Corporate Governance and Nominating Committee.