



## Compensation and HR Committee Charter

### Statement of Purpose

The purpose of the Compensation and HR Committee (the "Committee") is to oversee the Company's compensation philosophy generally; seek to ensure that compensation decisions both represent sound fiscal policy as well as enable the Company to attract and motivate qualified personnel; and advise the Board of Directors (the "Board") on, and facilitate the Board's oversight of, the compensation of the Board, the Company's Chief Executive Officer ("CEO"), and the other executive officers of the Company.

### Organization

The Committee shall be comprised of at least three members of the Board who shall satisfy the independence requirements of The NASDAQ Stock Market (regardless of whether shares of Company common stock are listed on that exchange) and be appointed by the Board on the recommendation of the Governance and Nominating Committee. In addition, each member of the Committee shall be a "non-employee director" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934. The Board may remove members of the Committee from such Committee, with or without cause.

### Duties and Responsibilities

The following functions shall be the recurring activities of the Committee in carrying out its responsibilities. The functions are set forth as a guide and may be varied from time to time as appropriate under the circumstances.

1. **Executive Officer Compensation.** The Committee shall review and approve corporate goals and objectives relevant to executive officer compensation and shall evaluate the performance of executive officers in light of those goals and objectives. Based on this evaluation, the Committee shall review and approve, or recommend for approval by the independent directors (as directed by the Board), executive officer compensation, including salary, bonus and incentive compensation, deferred compensation, perquisites, equity compensation, benefits provided upon retirement, severance or other termination of employment, and any other forms of executive compensation.
2. **CEO Compensation.** The Committee shall annually review and approve, or recommend for approval by the independent directors (as directed by the Board), the CEO's compensation based on the Committee's evaluation of the CEO's performance. The Committee will deliberate and vote on the CEO's compensation outside the presence of the CEO.
3. **Plan Recommendations and Approvals.** The Committee shall make recommendations to the Board regarding the adoption of new incentive compensation plans and equity-based plans, as well as the Company's 401(k) plan, and administer the Company's existing incentive compensation plans and equity-based plans, including reviewing and approving stock option grants and outside valuations of the common stock of the Company underlying such grants. To the extent permitted by applicable law and the provisions of a specific equity-based plan, the Committee may delegate to one or more executive officers of the Company the power to grant options or other equity awards, and amend the terms of such awards, pursuant to such equity based plan to employees of the Company or any subsidiary of the Company who are not directors or executive officers of the Company, such power to be limited to the parameters set forth in the applicable resolutions adopted by the Compensation Committee.
4. **Director Compensation.** The Committee shall make recommendations to the Board regarding compensation of members of the Board and Board committees.
5. **Filings.** The Committee shall:
  - a. review and discuss with Company management the compensation discussion and analysis required to be included in the Company's filings with the Securities and Exchange Commission and, based on such review and discussion, in the case of compensation discussion and analysis proposed to be included in the Company's annual proxy statement or annual report on Form 10-K, recommend to the Board of Directors whether the compensation discussion and analysis should be included in such proxy statement or annual report; and
  - b. prepare an annual compensation committee report for inclusion in the Company's annual proxy statement.
6. **Succession Planning.** The Committee shall oversee the maintenance, and presentation to the Board, of management's plans for succession to senior management positions in the Company, including the position of CEO.
7. **Generally.** The Committee shall review such other matters as the Board or the Committee shall deem appropriate.

## Procedures and Administration

1. **Meetings.** The Committee shall hold regularly scheduled meetings and such special meetings as circumstances dictate. The Committee shall report regularly to the Board on its activities.
2. **Action.** Action may be taken by the Committee (or any subcommittee of the Committee) upon the affirmative vote of a majority of the members of the Committee (or subcommittee). Action may be taken by the Committee without a meeting if all of the members of the Committee indicate their approval thereof in writing.
3. **Notice.** Any member of the Committee may call a meeting of the Committee upon due notice to each other member at least twenty-four hours prior to the meeting (provided that participation in any meeting shall be deemed to constitute waiver of any deficiency in such notice).
4. **Charter.** The Committee shall periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. **Independent Advisors.** The Committee is authorized, without further action by the Board, to engage such independent legal, accounting, and other advisors as it deems necessary or appropriate to carry out its responsibilities.
6. **Sub-Committees.** The Committee shall have the authority to delegate to subcommittees of the Committee any responsibilities of the full Committee.
7. **Compensation Consultant.** The Committee shall have the authority to engage and terminate any compensation consultant to be used to assist in the evaluation of executive officer or Board compensation, and shall have the authority to approve the consultant's fees. The Committee may also commission various compensations studies it deems appropriate.
8. **Expenses.** The Committee is empowered, without further action by the Board, to cause the Company to pay the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
9. **Committee Self-evaluation.** The Committee shall review its performance against the requirements of this Charter annually and shall report to the Board on the results of such evaluation. The Committee's performance evaluation shall be conducted in such manner as the Committee deems appropriate