



Decide with Confidence

Compensation & Benefits Committee Charter

Updated May 8, 2013

Membership and Meetings

Membership

The Committee shall be comprised of no fewer than three members as appointed by the Board of Directors, upon recommendation of the Board Affairs Committee.

Each Committee member shall meet the independence requirements of the New York Stock Exchange, be a “non-employee director” within the meaning of Rule 16b-3 issued by the Securities and Exchange Commission (“SEC”), and be an “outside director” within the meaning of Section 162(m) of the Internal Revenue Code, as amended, and any other applicable regulations.

The Board Affairs Committee will recommend the Committee members and a Committee Chair from among its members in accordance with the Company’s Corporate Governance Principles. In recommending candidates, the Committee shall consider such factors as it deems appropriate, including independence, professional experience, outside commitments (*e.g.*, service on other Boards) and particular areas of expertise.

Each Committee member will serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member.

Meetings

The Committee shall meet in person or telephonically as frequently as necessary to carry out its responsibilities under this Charter, but in no event less than four times per year.

The Committee Chair shall be responsible for calling the meetings of the Committee, establishing meeting agendas with input from management and supervising the conduct of the meetings. Any Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting.

A majority of the number of appointed Committee members will constitute a quorum for conducting business at a meeting of the Committee.

The Committee may request any officer or other employee of the Company, or any representative of the Company’s legal counsel or other advisers, to attend a meeting or to meet with any members or representatives of the Committee.

Purposes

The Committee discharges the Board’s responsibilities relating to compensation of the Company’s executive officers. Among other things, the Committee (1) establishes and

administers the Company's policies, programs and procedures for compensating its executive officers, (2) has oversight responsibility for the administration of the Company's employee benefits plans and (3) oversees the evaluation of management.

The Committee shall also prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement and any other disclosure required by New York Stock Exchange listing standards.

Committee Authority and Responsibilities

The authority and responsibilities of the Committee include the following:

Establish Executive Compensation Policies and Programs

The Committee will establish, review, approve, change and revise all compensation arrangements for the Chairman of the Board, CEO and other executive officers of the Company, including salaries, bonus, cash-incentive, perquisites and equity-based incentive compensation.

Without limiting the foregoing, the Committee will review and approve all proposed employment and retention agreements with any executive officer of the Company, as well as severance agreements that provide benefits in excess of those set forth in any severance and termination plans previously approved by the Committee or the Board.

Review and Approve Executive Officer Compensation

The Committee will review and approve, at least annually, corporate goals and objectives relevant to the compensation of the Chairman of the Board, CEO and the other executive officers of the Company. The Committee will evaluate the performance of the Chairman of the Board, CEO and other executive officers in the light of those corporate goals and objectives and set compensation levels based on those evaluations and any other factors as it deems appropriate.

In determining the long-term incentive component of CEO compensation, the Committee should consider the Company's performance, the performance of the CEO and the value of similar incentive awards to the CEOs at comparable companies.

CEO Performance Reviews

The Lead Director leads the annual evaluation of the CEO's performance, in consultation with the other non-management Directors and in accordance with the process set forth in the Corporate Governance Principles. The Lead Director will review the results of the evaluation with the Chair of the Committee to assist the Committee with its evaluation of the CEO's performance in light of the corporate goals and objectives as discussed above, in order to set CEO compensation levels. The Chair of the Committee will inform the Lead Director of such compensation decisions. The Lead

Director will in turn review the results of the evaluation and compensation decisions with the CEO.

Evaluation of Management

At least annually, the Committee, in consultation with the non-management Directors, will oversee an evaluation of management, including CEO succession planning and management development, which may include consultation on such topics with the CEO.

Recommendation of Incentive Compensation Plans to the Board

The Committee shall recommend to the Board for approval the adoption, rescission and amendment of all

1. cash-incentive compensation and equity-based incentive plans of the Company in which any executive officer of the Company participates, and
2. other equity-based plans of the Company that require the approval of shareholders or otherwise required by law.

Administer Compensation Plans

The Committee will administer the Company's equity-based plans and other plans that contemplate administration by the Committee.

Subject to the terms and conditions of applicable plans, the Committee, or a subcommittee thereof, has authority to select the participants under such plans, including the CEO and other executive officers, to determine the awards granted to each of them and the provisions of the awards to be granted, to interpret the plans and awards granted under the plans, to adopt, amend and rescind rules and regulations for the administration of the plans and, generally, to conduct and administer the plans and to make all determinations in connection therewith which may be necessary or advisable.

Employee Benefit Plans

The Committee will provide oversight of the administration for the Company's employee benefits plans, including establishing and monitoring a governance structure, which structure will have responsibility for settlor functions, financial performance of plan assets, compliance with laws and plan fiduciary administrative functions (including identifying the "named fiduciaries" for such plans).

Review Director Compensation

The Committee will review Director compensation levels and practices for determining the form and amount of Director compensation in relation to market practices and

trends, and recommend, from time to time, changes in such compensation levels and practices to the Board.

Risk Analysis

The Committee will periodically receive a report from management providing a review of the Company's compensation plans, programs and arrangements to determine whether they create risks that are reasonably likely to have a material adverse effect on the Company as a whole. The Committee will report the results of its review to the Board, together with any amendments it has made to the plans, programs and arrangements, or any recommendations that the Board amend the Plans, to mitigate such risks. In making its determinations, the Committee may consider incentive compensation policies and practices for different employee groups that mitigate or balance incentives.

Other Delegated Duties or Responsibilities

The Committee will perform any other duties or responsibilities delegated to the Committee by the Board from time to time.

Delegation

The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee, or, to the extent otherwise permitted by applicable plans (including employee benefits plans subject to ERISA), laws or regulations (including New York Stock Exchange listing standards), to any other body, individual or management.

The Committee may delegate to the CEO or others, the authority to make limited grants under the Company's equity-based incentive compensation plans to non-executive officers. The Committee will be advised at least annually of actions taken under this delegation authority.

Resources of the Committee

The Committee has the sole discretion to retain or obtain the advice of a compensation consultant, legal counsel or other adviser ("Outside Advisers"). The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any Outside Adviser.

The Committee may select or receive advice from an Outside Adviser only after taking into consideration all factors relevant to that adviser's independence from management, including (1) the provision of other services to the Company by the Outside Adviser's employer, (2) the amount of fees the Outside Adviser's employer receives from the Company, as a percentage of the employer's total revenue, (3) the Outside Adviser's employer's policies and procedures that are designed to prevent conflicts of interest, (4) any business or personal relationship of the Outside Adviser with a member of the

Committee, (5) any Company stock owned by the Outside Adviser and (6) any business or personal relationship of the Outside Adviser or his or her employer with an executive officer of the Company.

Nothing contained in this Charter shall be construed to require the Committee to implement or act consistently with the advice or recommendations of any Outside Adviser or affect the ability or obligation of the Committee to exercise its own judgment in fulfilling its duties. In addition, the Committee may select or receive advice from any Outside Adviser it prefers, including ones that are not independent, after considering the six independence factors outlined above.

The independence assessment is not required for (1) in-house legal counsel or (2) an Outside Adviser whose role is limited to (a) consulting on any broad-based plans that do not discriminate in scope, terms, or operation, in favor of executive officers or directors of the Company, and that is available generally to all salaried employees, or (b) providing information that either is not customized for the Company or that is customized based on parameters that are not developed by the Outside Adviser and about which the Outside Adviser does not provide advice.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of reasonable compensation to Outside Advisers.

Communication with Management

In carrying out its authority and responsibilities under this Charter, the Committee may consult with or receive recommendations from management with respect to the Company's compensation levels and practices and with respect to any of the Committee's other duties and responsibilities under this Charter.

Reports to the Board

The Committee will make regular reports to the Board.

Charter Reviews

The Committee will review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

Performance Assessment

The Committee will annually review its own performance and report the results of this review to the Board.

Compensation Discussion and Analysis (“CD&A”)

The Committee will review and discuss with management the Company’s CD&A disclosure and, based on such review and discussion, determine whether it recommends that the CD&A be included in the Company’s proxy statement relating to the Company’s annual meeting of shareholders.

Compensation Committee Report

The Committee, with the assistance of management and any Outside Advisers the Committee deems appropriate, shall prepare a report for inclusion in the Company’s proxy statement relating to the Company’s annual meeting of shareholders.

Public Disclosure

Consistent with New York Stock Exchange listing standards, this Charter will be included on the Company’s website and will be made available in print, free of charge, upon request sent to the Company’s Corporate Secretary. The Company’s annual proxy statement will state that this Charter is available on the Company’s website and will be made available in print, free of charge, upon request sent to the Company’s Corporate Secretary.