

into consideration the factors specified in NASDAQ Listing Rule 5605(d)(3), which are:

- (a) the provision of other services to the Company by the person who employs the compensation consultant, legal counsel or other adviser;
- (b) the amount of fees paid by the Company to the person who employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person who employs the compensation consultant, legal counsel or other adviser;
- (c) the policies and procedures of the person who employs the compensation consultant, legal counsel or other adviser, designed to prevent conflicts of interest;
- (d) any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- (e) any stock of the Company owned by the compensation consultant, legal counsel or other adviser; and
- (f) any business or personal relationship of the compensation consultant, legal counsel, other advisor or the person employing the advisor with an executive officer of the Company.

The Committee may retain, or receive advice from, any compensation adviser it prefers, including those who are not independent, after considering the above-specified factors. The Committee is not required to assess the independence of any compensation consultant or other adviser who acts in a role limited to (1) consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers, other executive vice presidents or directors and that is generally available to all salaried employees and/or (2) providing information that is not customized for a particular company or is customized based on parameters not developed by the consultant or advisor, and about which the consultant or adviser does not provide advice.

The Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with Item 407(e)(3)(iv) of Regulation S-K.

The Committee may form and delegate authority to subcommittees as appropriate, including, but not limited to, a subcommittee composed of one or more members of the Board or officers of the Company to grant stock awards under the Company's equity incentive plans to persons who are not then subject to Section 16 of the Exchange Act. Delegation by the Committee to any subcommittee shall not limit or restrict the Committee on any matter so delegated, and, unless the Committee alters or terminates such delegation, any action by the Committee on any matter so delegated shall not limit or restrict future action by such subcommittee on such matters.

4. MEETINGS AND PROCEDURES

The Committee shall meet at least quarterly and shall hold such other regular or special

meetings as its members deem necessary or appropriate and may meet in executive session, without management present, on any matter it deems appropriate, at its discretion. A quorum consisting of a majority of the members of the entire Committee must be present for the purpose of transacting any business of the Committee. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee. The Committee may also appoint a Secretary, who need not be a director. The Committee shall keep regular minutes of its proceedings. The Committee may also act by unanimous written consent. The Board may amend or repeal this Charter and amend the duties of the Committee at any time.

The Committee shall have full access to all employees, books and records of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder.

5. PERFORMANCE EVALUATION

The Committee shall review, discuss and assess its own performance at least annually.

6. AMENDMENTS TO CHARTER/CHARTER REVIEW

The Committee shall review and assess the adequacy of this Charter at least annually and recommend any proposed changes to the Board for its consideration.