

## **COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS CHARTER**

### **PURPOSE**

The Compensation Committee shall (i) review and approve salary arrangements, including grants of annual incentive awards for the Company's directors, officers and other employees, (ii) adopt and amend employment agreements for its officers and other executive employees, and (iii) administer the Company's stock plan.

### **STRUCTURE AND OPERATIONS**

#### Composition and Qualifications

The Committee shall be composed of at least three members of the Board of Directors, each of whom is determined by the Board of Directors to be "independent" in accordance with the rules of the American Stock Exchange

#### Appointment and Removal

The members of the Committee shall be appointed by the Board of Directors and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The members of the Committee may be removed, with or without cause, by a majority vote of the Board of Directors.

#### Chairman

Unless a Chairman is elected by the full Board of Directors, the members of the Committee shall designate a Chairman by majority vote of the full Committee membership. The Chairman shall be entitled to cast a vote to resolve any ties. The Chairman will chair all regular sessions of the Committee and set the agendas for Committee meetings

### **MEETINGS**

The Committee shall meet at least annually, or more frequently as circumstances dictate. The Chairman of the Board of Directors or any member of the Committee may call meetings of the Committee. Any meeting of the Committee may be held telephonically

The Committee may invite to its meetings any director, management of the corporation and such other persons as it deems appropriate in order to carry out responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities

### **RESPONSIBILITIES AND DUTIES**

The duties and responsibilities of the Committee include the following:

1. To oversee the development and implementation of compensation programs for the CEO and other senior executives.
2. To review and approve corporate goals and objectives relevant to the compensation of the CEO, evaluate the performance of the CEO in light of those goals and objectives, and set the CEO's compensation based on this evaluation.

3. To review and approve employment agreements and arrangements for the CEO and other senior executives, including severance and change of control agreements or arrangements.
4. To oversee the development, implementation and operation of incentive-compensation plans for the CEO and other senior executives and equity-based plans, and discharge any responsibilities of the Committee as set forth in any of the Company's compensation and benefit plans. The Committee shall make recommendations to the Board with respect to the Board's duties under such plans.
5. To review certain key human resource strategic activities, including those relating to diversity, training and recruitment.

#### **COMMITTEE REPORT**

Produce and provide to the Board an annual report on the executive compensation, to the extent required to be included in the Company's proxy statement, in accordance with applicable rule and regulations. Maintain minutes or other records of meetings and activities of the Committee

#### **ANNUAL PERFORMANCE EVALUATION**

The Committee shall review and evaluate, at least annually, the performance of the Committee and its members, including by reviewing the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board of Directors any improvements to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate