

VII. Independent Director Stock Ownership

After five years of service on the Board, the independent directors are expected to own Company common stock with a market value of at least five times the cash base annual director fee. Ownership may be held directly or indirectly, and may include shares held by a spouse or children.

VIII. Senior Management Stock Ownership

The Chief Executive Officer is expected to own Company common stock equal in value to six times his or her annual salary, and the other members of senior management are expected to own common stock equal to three times their annual salaries. Individuals subject to this guideline are required to retain 50% of the after-tax number of shares of common stock received as the result of an option exercise, the vesting of restricted shares or the issuance of deferred shares until the requirement is satisfied (it being understood that this retention obligation can be satisfied through the retention of any Company shares held by the individual). Ownership may be held directly or indirectly, and may include shares held by a spouse or children.

IX. Senior Management Stock Holding Period

The Chief Executive Officer and the other members of senior management are required to retain 50% of the after-tax number of shares of common stock received as the result of a restriction lapse for a period of two years

XII. Director Service on Other Public Boards

Except as otherwise approved by the Board, directors shall not serve on more than three

XIII. Management Succession

The Compensation Committee shall evaluate at least annually the Chief Executive performance in light of established goals and objectives and oversee the development of a succession plan for the Chief Executive Officer and other senior management.

XIV. Annual Performance Evaluation of the Board

The Board will conduct a self-evaluation at least annually to determine whether it and its committees are functioning effectively. The Nominating and Corporate Governance Committee will oversee such evaluation and report annually to the Board.

XV. Ethical Conduct

Directors, as well as officers and employees, are expected to act ethically and adhere to *Code of Business Conduct and Ethics*.

XVI. Related Person Transactions

The Board recognizes that transactions involving the Company and related persons present heightened risk of potential or actual conflicts of interest which may interfere or even appear to interfere with the interests of the Company. Therefore, it is the policy of the Company that the Nominating and Corporate Governance Committee shall review all transactions, before such transaction are entered into, if possible, with related persons required to be reported by the Company under the applicable rules and regulations governing related person transactions promulgated by the United States Securities and Exchange Commission

XVIII. Shareholder Rights Plan Policy

The Company will submit the adoption of any shareholder rights plan to a shareholder vote before it acts to adopt a rights plan; provided, however, that the Board may act on its own to adopt a shareholder rights plan without first submitting such action to a shareholder vote if the Board, including a majority of the independent directors thereof, in the exercise of its fiduciary duties, determines that such submission would not be in the best interest of the Company and its shareholders and other constituencies under the circumstances then existing.

If a shareholder rights plan is adopted without first submitting such action to a shareholder vote, the Board shall, within 12 months following its adoption, either submit the shareholder rights plan to a shareholder vote or redeem the shareholder rights plan or cause it to expire.

XIX. Board Election Procedures Related to Failure of Director to Receive Majority of Votes Cast in Uncontested Elections

With respect to the uncontested election of directors at shareholder meetings, an incumbent director who receives the support of less than a majority of the votes cast must promptly tender his or her resignation, and a newly nominated director who receives the support of less than a majority of the votes cast will be deemed to have automatically resigned, subject to the procedures and further details set forth in the Bylaws.

XX. Independent Lead Director

The Board shall have an independent director designated by the independent directors of the Board as the Independent Lead Director. Unless the Board determines otherwise, the Independent Lead Director shall also serve as the Chair of the Nominating and Corporate Governance Committee. The Independent Lead Director has the following duties and responsibilities:

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independent directors;

Providing the Chairman of the Board with input on and approving the agendas and schedules for meetings of the Board and its committees;

Advising the Chairman of the Board as to the quality, quantity and timeliness of the flow of information from senior management that is necessary for the independent directors to effectively and responsibly perform their duties, including specifically requesting the inclusion of certain information in the materials provided for the Board by senior management when appropriate;

