

Purpose

The Compensation Committee assists the Board in carrying out its responsibilities with respect to (a) employee qualified benefit plans and employee stock programs (b) executive compensation programs and (c) director compensation programs.

Members

The Compensation Committee shall consist of at least three members of the Board who satisfy the independence requirements of the Archipelago Exchange (“ArcaEx”), as such requirements are interpreted by the Board in its business judgment. Additionally, members of the Compensation Committee shall qualify as “non-employee directors” for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, and as “outside directors” for purposes of Section 162(m) of the Internal Revenue Code. The Board shall designate one member as Chairman or delegate authority to designate a Chairman to the Compensation Committee.

Outside Advisors

The Compensation Committee shall have the authority to retain such outside consultants or advisors as it determines appropriate to assist it in the performance of its functions, or to advise or inform the Committee, including sole authority to retain and terminate any compensation consultant used to assist the Committee in the evaluation of director, CEO or senior executive compensation, and to approve the consultant’s fees and other retention terms.

Duties and Responsibilities

The functions of the Committee, on behalf of the Board, shall include having responsibility:

1. To review compensation philosophy and major compensation programs, and to administer particular programs for which the Committee is the designated administrator.
2. To annually review executive compensation programs, annually review and approve corporate goals and objectives relevant to the CEO, and based on the performance evaluations conducted by the Corporate Governance Committee, to establish and approve the total compensation of the CEO and the four highest paid elected officers other than the CEO.
3. To administer and make recommendations to the Board with respect to the Company’s incentive-compensation and equity-based compensation and approve stock option and other stock incentive awards for senior executive officers.
4. To establish all components of compensation for directors and recommend changes to the Board.
5. To make recommendations to the Board with respect to, and monitor compliance by directors with, the Company’s stock ownership guidelines.

6. To review proposed new compensation arrangements, and review and recommend to the Board employment agreements and severance arrangements for senior executive officers, including change-in-control provisions, plans or agreements.
7. To review the design and administration of the Qualified Benefit Plans in performance of the fiduciary duties assigned to the Committee.
8. To prepare the report required by the rules of the Securities and Exchange Commission to be included in the Company's annual proxy statement.
9. To review this Charter annually and recommend any changes to the Board for approval.
10. To review the Compensation Committee's own performance annually.

Meetings

The Compensation Committee shall meet as often as may be deemed necessary or appropriate in its judgment, but not less frequently than 2 times annually, either in person or telephonically, and at such times and places as the Committee shall determine. The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Compensation Committee or to meet with any members of, or consultants to, the Committee. The Committee meets at regularly scheduled executive sessions. The Compensation Committee shall report its activities to the Board regularly.