

The Compensation Committee Charter

Status

The Compensation Committee is a committee of the Board of Directors.

Membership

The Compensation Committee shall consist of two or more directors all of whom in the judgment of the Board of Directors shall be independent in accordance with the listing standards of the Nasdaq Stock Market. In addition, a person may serve on the Compensation Committee only if the Board of Directors determines that he or she (i) is a "Non-employee Director" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and (ii) satisfies the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code.

Purpose

The purposes of the Compensation Committee are (i) to discharge the responsibilities of the Board of Directors relating to compensation of the Company's CEO and other executives as determined by the committee, and (ii) to produce an annual Committee Report for inclusion in the Company's annual proxy statement. Except as otherwise required by applicable laws, regulations or listing standards, all major decisions are considered by the Board of Directors as a whole.

Duties and Responsibilities

The Compensation Committee is directly responsible for establishing annual and long-term performance goals and objectives for our elected officers. This responsibility includes:

1. evaluating the performance of the CEO and other executives as determined by the committee in light of the approved performance goals and objectives;
2. setting the compensation of the CEO and other executives as determined by the committee based upon the evaluation of the performance of the CEO and the other executives, respectively;
3. making recommendations to the Board of Directors with respect to new cash-based incentive compensation plans and equity-based compensation plans; and
4. preparing an annual performance self-evaluation of the Compensation Committee.

In addition, the Compensation Committee:

5. administers the Company's stock plans
6. determines and certifies the shares awarded under corporate performance-based plans

7. grants options and awards under the stock plans, or ratifies such option grants if granted by an appointed subcommittee formed for the purpose of granting non-senior management options
8. advises on the setting of compensation for senior executives whose compensation is not otherwise set by the Committee; and
9. monitors compliance by officers with our program of required stock ownership.

In determining the long-term incentive component of the Company's CEO and other elected officers, the Compensation Committee may consider: (i) the Company's performance and relative

shareholder return; and, (ii) the value of similar incentive awards to chief executive officers and elected officers at comparable companies.

The Compensation Committee may, in its sole discretion, employ a compensation consultant to assist in the evaluation of the compensation of the Company's CEO or other elected officers. The Compensation Committee shall have the sole authority to approve the fees and other retention terms with respect to such a compensation consultant. The Compensation Committee also has the authority as necessary and appropriate, to consult with other outside advisors to assist in its duties to the Company.

Meetings

The Compensation Committee shall meet at least one time each year and at such other times as it deems necessary to fulfill its responsibilities.
