

COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee is appointed by the Board to discharge the Board's responsibilities relating to compensation of the Company's executive officers. The Committee has overall responsibility for approving and evaluating the executive officer compensation plans, policies and programs of the Company.

The Compensation Committee shall review and approve an annual report on executive compensation for inclusion in the Company's proxy statement.

Committee Membership

The Compensation Committee shall consist of no fewer than three members. The members of the Compensation Committee shall meet the independence requirements of Nasdaq. The members of the Compensation Committee shall be appointed by the Board on the recommendation of the Nominating Committee and shall serve until their successors are duly appointed and qualified. Compensation Committee members may be replaced by the Board.

Committee Authority and Responsibilities

1. The Compensation Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of Chief Executive Officer, senior executive or director compensation and shall have sole authority to approve the consultant's fees and other retention terms. The Compensation Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors.
2. The Compensation Committee shall annually review and approve corporate goals and objectives relevant to Chief Executive Officer compensation, evaluate the Chief Executive Officer's performance in light of those goals and objectives and, subject to the terms of any employment contract, recommend to the Board the Chief Executive Officer's compensation levels based on this evaluation.
3. The Compensation Committee shall regularly review and approve corporate goals and objectives relevant to compensation of executive officers other than the Chief Executive Officer.
4. The Compensation Committee shall annually review and determine the annual and long-term incentive component of Chief Executive Officer and other executive officer compensation, including under incentive-compensation plans and equity-based plans and any special or supplemental benefits. In making such determinations, the Compensation Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to Chief Executive Officers and other executive officers at comparable companies, the awards given to the Chief Executive Officer and other executive officers in past years and will take into account the terms of any employment agreements.
5. The Compensation Committee shall periodically review and approve, for the Chief Executive Officer and the other executive officers of the Company, the terms of any employment agreements, severance arrangements, and change in control agreements/provisions, whether or not in writing.

6. The Compensation Committee shall administer the Company's stock option and other equity-based plans.
7. The Compensation Committee may form and delegate authority to subcommittees when appropriate.
8. The Compensation Committee shall make regular reports to the Board.
9. The Compensation Committee shall periodically review the compensation of Directors, and make recommendations to the Board as to any changes it deems appropriate.
10. This Charter will be filed with the SEC to the extent required by SEC rules and will also be made available on the Company's website.
11. The Compensation Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

Compensation Principles

The Committee will make compensation decisions based on the following principles:

- Compensation arrangements will incentivize and encourage retention of those employees who enhance the Company's performance;
- Compensation arrangements will promote ownership of the Company's stock and equity to align the interests of management and stockholders; and
- Compensation arrangements will maintain an appropriate balance between base salary and long-term and annual incentive compensation.