

## **COMPENSATION COMMITTEE CHARTER**

### **Purpose**

The Compensation Committee is charged with oversight responsibility for the adequacy and effectiveness of the Corporation's compensation and benefit plans. The Compensation Committee is responsible for all matters relating to (i) compensation of senior management and Directors, (ii) adoption of employee compensation and benefit plans and the administration of such plans, including granting of stock incentives or other benefits, and (iii) the annual report on executive compensation included in the Corporation's proxy statement.

### **Appointment, Qualifications and Removal**

The Compensation Committee will consist of not less than five (5) members of the Board of Directors who (i) are not officers or employees of the Corporation or any of its affiliates, (ii) do not have any relationship with the Corporation or any of its affiliates that would interfere with the exercise of their independence and (iii) are "outside" and "independent" within the meaning of applicable laws, regulations and NYSE listing requirements, as the same are amended from time to time. Experience with executive compensation is relevant in selecting candidates for the Compensation Committee. The members and Chair of the Compensation Committee shall be appointed by the Board of Directors and shall continue to act until their successors are elected, but shall be subject to removal at any time by a majority of the full Board. Any resulting vacancy may be filled by the Board.

### **Powers**

To assist the Compensation Committee in fulfilling its duties, management shall provide the Compensation Committee with information and recommendations as needed and requested. At its discretion, the Compensation Committee shall have access to the Corporation's General Counsel and/or outside legal counsel and the Corporation's Human Resources Department and/or outside compensation consultants, if it deems such access to be necessary or beneficial. The Compensation Committee has the sole authority to retain and terminate any such consultants, including sole authority to approve the fees and other terms for such consultants. All costs incurred by the Compensation Committee with respect to the use of outside counsel and consultants shall be paid by the Corporation.

### **Meetings and Subcommittees**

The Compensation Committee shall meet at such times as determined by the Chair of the Compensation Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business. The Compensation Committee may delegate one or more of its functions to subcommittees established from time to time by the Compensation Committee, but the Compensation Committee remains responsible for any function delegated to a subcommittee.

## Duties and Responsibilities

The Compensation Committee shall:

### **Annually:**

- Review market data to assess the Corporation's competitive position with respect to executive and director compensation.
- Approve base salaries, annual incentive awards and long-term incentive awards for all corporate officers. In determining the long-term incentive component of compensation, the Compensation Committee shall consider the Corporation's performance and relative shareholder return, the value of similar incentive awards granted to officers at comparable companies and the awards granted to the Corporation's officers in past years. With respect to the compensation of the CEO, the Compensation Committee shall also consider the annual performance evaluation of the CEO conducted by the Governance Committee. Once approved by the Committee, the officers' compensation shall be reviewed with the Board.
- Establish and certify achievement of performance objectives for Internal Revenue Code Section 162(m) purposes.
- Determine "eligible persons" for participation in the Corporation's stock incentive plans. Approve participants, types of awards and number of shares covered by each award. Approve all decisions regarding the modifications of terms or conditions of any award or award agreement.
- Establish Director Compensation, including retainers, stock options, special committee fees and other similar components of compensation.
- Conduct a performance evaluation of the Compensation Committee.

### **Periodically**

- To the extent deemed necessary by the Committee, develop and recommend Board approval of new incentive compensation and benefit programs, including equity-based compensation programs, and amend or recommend termination of existing programs as appropriate.
- Monitor, review and, to the extent deemed necessary by the Committee, develop new compensation plans and programs for Directors.
- To the extent requested by the Board, oversee the administration of the Corporation's defined benefit and defined contribution plans. When appropriate, recommend to the Board of Directors new plans, major plan amendments and plan terminations.

### **Reporting**

The Compensation Committee shall, through its Chair, provide reports of the Compensation Committee's meetings and actions to the Board of Directors. Such reports shall contain recommendations for Board action when required under the provisions of any compensation or benefit plan or any applicable regulation or when deemed appropriate by the Committee.

