

CORPORATE GOVERNANCE ENHANCEMENTS**I. ENHANCEMENTS TO POWERS OF INDEPENDENT DIRECTORS****A. Establishment of Lead Independent Director Position**

1. The Company has or will establish the position of Lead Independent Director with the following responsibilities:

- a. The Lead Independent Director shall preside at all meetings of the Board of Directors at which the Chairman is not present, including executive sessions of the non-management directors.
- b. The Lead Independent Director shall serve as a liaison between the Chairman and the non-management directors.
- c. The Lead Independent Director shall approve information sent to the Board of Directors.
- d. The Lead Independent Director shall approve meeting agendas for meetings of the Board of Directors.
- e. The Lead Independent Director shall approve meeting schedules for meetings of the Board of Directors to assure there is sufficient time for discussion.
- f. The Lead Independent Director shall have the authority to call meetings of the non-management directors.
- g. The Lead Independent Director, if requested by significant shareholders, will be available for consultation and direct communication.
- h. The Lead Independent Director shall, at each regularly scheduled meeting of the Board of Directors, convene an independent session without Company employees or executive directors present.

B. Establishment of Independent Executive Committee

1. The Company has or will establish an Executive Committee, to be comprised of the following five independent directors: the Lead Independent Director and the Chairman of each of the Audit Committee, the Compensation Committee, the Corporate Responsibility Committee and the Nominating and Corporate Governance Committee.

2. The Executive Committee will have and be subject to the following:

- a. The Executive Committee shall have and may exercise all the powers of the Board in the management of the business and affairs

of the corporation (except as otherwise expressly limited by statute).

- b. The meetings of the Executive Committee may be held without notice at such time and place as may be determined from time to time by the Executive Committee.
- c. At all meetings of the Executive Committee a majority of members shall be necessary and sufficient to constitute a quorum for the transaction of business.
- d. No additional annual fee will be paid to the members of the Executive Committee for serving in such capacity, but each of the members of the Executive Committee will be entitled to receive a fee of \$3,000 for attendance at each meeting of the Executive Committee.

II. BOARD AND COMMITTEE MEMBERSHIP

A. Independent Directors

1. The membership of the Executive, Corporate Responsibility, Audit, Compensation, and Nominating and Corporate Governance Committees will consist solely of independent directors.

2. (a) Except where different or additional specific standards are set forth below, in order for a director to qualify as independent, the director will need to meet the “independent director” requirements of the New York Stock Exchange (NYSE), or such other primary exchange where the Company’s securities are listed, as may be in effect from time to time, and have no material relationships with the Company that would impair such director’s independence. On at least an annual basis, the Board will analyze each current or prospective director’s eligibility to be classified as “independent” under the standard set forth above, and affirmatively determine that each such director has no material relationship with the Company other than as a director. In making the determination concerning the absence of a material relationship with the Company, the Board will consider the guidelines set forth below and such additional standards established by the NYSE, or such other primary exchange where the Company’s securities are listed, as may be in effect from time to time.

(b) A director may not qualify as independent if such director:

(i) is, or in the past five years has been, an employee of the Company, or has an immediate family member (as defined below) who is, or has been within the last five years, an executive officer of the Company;

(ii) has received, or has an immediate family member who has received, during any twelve-month period within the past three years, more than \$120,000 in direct compensation from the Company (other than director’s fees and pension or other forms of deferred compensation for prior service with the

Company, provided such compensation is not contingent in any way on continued service);

(iii) (A) is, or has an immediate family member who is, a current partner of the firm that is the Company's independent registered public accounting firm; or (B) is a current employee of such firm; or (C) has an immediate family member who is a current employee of such firm and who personally works on the Company's audit; or (D) was, or has an immediate family member who was, within the last three years (but is no longer) a partner or employee of such firm and personally worked on the Company's audit within that time;

(iv) within the past three years is or has been, or an immediate family member is or has been, employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee; or

(v) is a current employee, or has an immediate family member who is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or 2% of such other company's consolidated gross revenues.

(c) As used herein, an "immediate family member" includes a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone (other than a tenant or an employee) who shares such person's home.

B. Board Nominations

1. The Company has or will establish procedures by which the Nominating and Corporate Governance Committee of the Company is solely responsible for formally considering and recommending to the Board candidates to be nominated for election or re-election to the Board at each annual meeting of stockholders or to be elected to the Board as necessary to fill vacancies and newly created directorships.

2. Formal recommendations to the Board of new Board candidates, other than those directors nominated by stockholders, will be solely made by the Nominating and Corporate Governance Committee.

3. Formal recommendations to the Board of membership on the Audit, Compensation, Corporate Responsibility, and Nominating and Corporate Governance Committees will be solely made by the Nominating and Corporate Governance Committee.

4. Neither the Chairman of the Board, if not independent, nor any other corporate officer will serve as a member of the Nominating and Corporate Governance Committee of the Board.

5. The Nominating and Corporate Governance Committee in the ordinary course of its communications with significant institutional shareholders, will consider views, if offered, from such institutional shareholders concerning Board member selection and qualifications, including such issues as the independence and the experience or expertise of candidates, and will consider those views in good faith; *provided however*, that the determination of candidates' qualifications and selection of candidates for nomination shall remain within the discretion of the Nominating and Corporate Governance Committee and the Board.

C. Special Committee Membership Criteria

1. The Company has or will adopt a policy that provides that if the Board determines to establish a special committee for the evaluation of a potential significant transaction, membership on that committee shall be restricted to directors who (i) have been identified as independent directors, (ii) do not have a material interest in or affiliation with the potential transaction partner, (iii) do not have an immediate family member who has a material interest in or affiliation with the potential transaction partner, (iv) do not have an interest in, are not a party to, and do not have a contract or other transaction relevant to, the specific matter being presented to the Company's Board; and (v) are not deemed under Item 404(a) of Regulation S-K of the rules of the U.S. Securities and Exchange Commission to be a "related person" with respect to any proposed transaction before the Board.

2. Members of the special committee shall be selected solely by the Company's Nominating and Governance Committee.

3. The policy will further provide that if the Board determines to establish a special committee for the evaluation of a potential significant transaction, that committee will be empowered to hire its own advisors, to negotiate the terms of the transaction, to consider alternative transaction structures and financing methodologies, and to provide its recommendation with respect to the proposed transaction to the Board. The special committee will also have the power to decline to refer the transaction to the full Board for approval.

III. APPROVAL OR RATIFICATION OF RELATED-PARTY TRANSACTIONS

A. The Company has or will adopt a policy regarding the approval or ratification of related-party transactions with respect to directors and executive officers, which policy will require, among other things, approval or ratification by the Audit Committee or approval or ratification by the disinterested members of the Board.

IV. EXECUTIVE MANAGEMENT, SUCCESSION PLANNING AND EXECUTIVE COMPENSATION

A. Board Appointment of Executive Management

1. The Board will annually approve the appointment of the Company's executive management.

B. Senior Executive Succession Planning

1. The Board will annually review the Company's succession plan for the Company's senior executives.

C. Executive Compensation

1. The Compensation Committee will receive advice from an independent executive compensation consultant, who will not provide any services to the Company's management. The Compensation Committee will assess the independence of its executive compensation consultant in accordance with the SEC and NYSE requirements.

2. The Compensation Committee has or will adopt an incentive compensation clawback policy that would enable the Company to clawback all or a portion of incentive compensation in the event an executive's misconduct causes the Company to have to issue a restatement of its financial statements, to the extent that such executive's incentive compensation was based on the misstated financials. The Compensation Committee will amend the clawback policy, as needed, once the SEC adopts the final implementing rules regarding compensation clawbacks mandated by Dodd-Frank.

V. FUTURE EQUITY VESTING PROVISIONS

A. Any future grant of equity-based compensation made by the Board of Directors or a committee thereof to the Company's executive officers or directors will provide that any unvested performance-based equity compensation will not automatically vest upon a change of control. Instead, vesting of such awards may be accelerated in connection with or following a change of control only upon a termination of employment or service, as applicable.

B. Further, any such accelerated vesting in accordance with Section V(A) above will not presume maximum achievement of any applicable performance goals, but instead will be based on one or more of the following:

1. the target level of the award,
2. a pro rata portion of the award based on the recipient's time of service, or
3. the actual level of achievement of the applicable goal as of the date of the change of control or the date of termination.