



GOVERNANCE AND COMPENSATION COMMITTEE

PURPOSE

This committee is appointed by the Board of Directors to ensure that the Board governance system performs well and to support the Board in fulfilling its oversight responsibilities relating to senior management performance, compensation and succession. In this regard, the Board and Compensation Committee align total compensation for the MD and other senior executives with the long-term interests of stockholders.

MEMBERSHIP

The Corporate Governance Committee will consist of three members of the Board. The members of the Corporate Governance Committee may be replaced by the Board at any time.

AUTHORITY AND RESPONSIBILITIES

a. Corporate Governance

1. The Committee develops and recommends to the Board a set of corporate governance guidelines for the Company. The Committee reviews and reassesses the adequacy of these guidelines annually and recommends to the Board any changes deemed appropriate.
2. The Committee periodically reviews the Board committee charters and recommends to the full Board any needed changes.
3. The committee keeps abreast of the developments in the corporate governance field that might affect the Company and generally advises the Board on Corporate governance matters.



b. Compensation

1. The Committee has the sole authority to retain, compensate, and terminate any compensation consultant to be used to assist in the evaluation of MD or senior executive compensation.
2. The Committee assists the Board in evaluating the MD's performance against goals and objectives previously determined by the full Board. The Committee proposes the MD's compensation levels to the full Board based on this evaluation. In determining the long-term incentive component of MD compensation, the Committee considers the Company's performance and shareholder return on a stand-alone basis and compared to peers, incentive awards to MDs at comparable companies, and the awards given to the MD in past years.
3. The Committee annually reviews and evaluates Company performance, in light of goals and objectives set by the Board, and makes recommendations to the Board with respect to all compensation plans covering senior executives.
4. The Committee provides a report of its meetings and activities to the full Board on a regular basis.

ORGANIZATION

The Committee meets on a regularly scheduled basis, at least twice a year and more frequently as necessary, to fulfill its responsibilities. A quorum of the Committee consists of a majority of its members. All actions of the Committee must be approved by a majority vote of the members present, unless there are only two members present, in which case such actions require a unanimous vote.