



## **Senior Executive Officer Stock Ownership Guidelines**

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Effective January 2007, in connection with the implementation of the new performance restricted stock plan for the senior executive officers of the Company, the Board of Directors adopted these Stock Ownership Guidelines to align the interest of its key executives with the interest of shareholders. These Guidelines are intended to cover any grants of equity after the date of adoption (whether options, restricted stock, stock units, etc.) provided to the Company's key executives (CEO and President, Executive Vice Presidents and Senior Vice Presidents) under the Company's Long Term Incentive Plan ("LTIP").

The Board indicated that these Guidelines were adopted to ensure that, regardless of the type of equity plan that may be adopted or modified from time to time, participating key executives will accumulate increasing amounts of Company stock over time. No specific threshold for stock ownership (i.e., salary multiple) was been established by the Board since the nature, size and frequency of potential awards going forward (i.e., program definition) was then and remains undefined.

Since the primary goal of the LTIP is to ensure that the interests of the Company's key executives – whose daily decisions affect the Company's long-term value – are aligned with the interests of the shareholders, the Board believes that it is important that all LTIP participants maintain a substantive ownership position in their accumulating stock awards.

The Board therefore expects that while the Company's key executives are employed they will maintain ownership of at least sixty percent (60%) of the "net" shares they acquire from the exercise of stock options or the vesting of restricted stock or restricted stock units. "Net" shares are deemed to be those shares that remain after any acquired shares are sold or netted to pay the exercise price of the stock options (if applicable) and any associated withholding taxes. The shares applicable and subject to these Guidelines are only Company shares issued to and obtained by a key executive pursuant to the LTIP.

#### **Exceptions:**

The guidelines may be waived at the discretion of the CEO and Compensation Committee if compliance would create severe hardship, the executive is within five years of planned retirement, or that compliance would prevent the executive or director from complying with a court order, as in the case of divorce settlement.