

Leadership and Compensation Committee Charter

Purpose

The primary purpose of the Leadership and Compensation Committee (the “Committee”) is to discharge the responsibilities of the Board of Directors (the “Board”) relating to the compensation of the Company’s executive officers. The Committee has overall responsibility for approving and evaluating all compensation plans, policies, and other programs of the Company as they affect executive officers.

Organization of the Committee

The Committee shall be a three person committee of which a quorum shall be two, and shall be permitted to take all actions in the event of a vacancy. Each member of the Committee shall satisfy the applicable independence requirements of the Nasdaq Stock Market (“Nasdaq”), shall be a “non-employee director” for purposes of Rule 16b-3 of the Securities Exchange Act of 1934, and shall also be an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986.

The members of the Committee shall be appointed and may be removed by the Board. The Board shall look to appoint a Committee comprised of directors with diverse and relevant experience in matters relating to executive compensation. The Board shall also appoint one member of the Committee to serve as the Committee chairperson (the “Chair”). The Committee may from time to time, as it deems appropriate and to the extent permitted under applicable law and regulation, form and delegate authority to subcommittees and to the officers of the Company.

Meetings of the Committee

The Committee shall meet at a minimum three times per year, either in person or telephonically. The Committee may also take action by unanimous written consent.

The Chair shall set the agenda for each meeting of the Committee and shall ensure that the agenda for each upcoming meeting is circulated to each member of the Committee in advance of the meeting. The Committee shall prepare written minutes of each meeting convened by the Committee and cause such minutes to be filed with the minutes of the meetings of the Board.

The Chief Executive Officer (“CEO”) of the Company shall meet with the Committee at least annually and more frequently as circumstances necessitate, but shall not be present during the Committee’s deliberations or voting on the CEO’s compensation.

Responsibilities of the Committee

To fulfill its responsibilities, the Committee shall:

1. Review and recommend to the Board on an annual basis the compensation of all directors.
2. Review and approve on an annual basis corporate goals and objectives relevant to the compensation of the executive officers; evaluate the performance of the executive officers in light of whether the goals and objectives have been achieved; and set the compensation level of the executive officers based on this evaluation taking into account the CEO's recommendation and evaluation of each executive officer.
3. Review and approve on an annual basis corporate goals and objectives relevant to the CEO's compensation; evaluate the CEO's performance in light of whether the goals and objectives have been achieved and set the CEO's compensation level based on this evaluation. The Committee shall also consider the following factors: the Company's performance; shareholder returns; compensation packages given to chief executive officers at comparable companies; compensation packages given to the CEO in past years; and any other factors the Committee deems relevant when determining the compensation of the CEO.
4. Review and approve compensation arrangements for new executive officers and termination arrangements for executive officers.
5. Review and make recommendations to the Board regarding the Company's incentive compensation plans.
6. Serve as the Administrator of the Company's stock plans with such power and authority as described in the Company's stock plans, including the full authority to approve the grant of stock based incentives to directors, executive officers and other employees of the Company and its affiliates.
7. Review and discuss with management the Compensation Discussion and Analysis to be included in the Company's proxy statement and recommend to the Board whether it should be included in the Company's proxy statement. Produce a Committee report on executive compensation to be included in the Company's proxy statement.
8. Review and make a determination as to whether the compensation policies and practices of the Company are reasonably likely to have a material adverse effect on the Company.
9. Report to the Board on a regular basis, but at a minimum on an annual basis.
10. Conduct an annual self-evaluation of its own performance.
11. Review and reassess the adequacy of this Charter on an annual basis and recommend to the Board any changes deemed appropriate by the Committee.
12. Perform any other activities consistent with this Charter, the Company's By-Laws, applicable regulatory requirements and governing law, as the Committee or the Board may deem necessary or appropriate.

Authorities and Resources of the Committee

The Committee shall have the authority in its sole discretion to retain, obtain or terminate compensation consultants, legal counsel and other advisers (collectively, "Consultants") to be used to assist the Committee in the fulfillment of its duties.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of the Consultants retained by the Committee.

The Committee shall be entitled to appropriate funding from the Company to pay reasonable compensation to the Consultants.

Prior to the retention of a Consultant and from time to time as the Committee deems appropriate, the Committee shall assess the independence of such Consultant from management, taking into consideration all factors relevant to such Consultant's independence, including those factors specified by Rule 10C-1 of the Securities Exchange Act of 1934, as referenced below, as well as any other factors identified by Nasdaq.

Independence Factors specified by Rule 10C-1 of the Securities Exchange Act of 1934:

- (1) the provision of other services to the Company by the person that employs the Consultant;
- (2) the amount of fees received from the Company by the person that employs the Consultant as a percentage of the total revenue of the person that employs the Consultant;
- (3) the policies and procedures of the person that employs the Consultant that are designed to prevent conflicts of interest;
- (4) any business or personal relationship of the Consultant with a member of the Committee;
- (5) any stock of the Company owned by the Consultant; and
- (6) any business or personal relationship of the Consultant with an executive officer of the Company.