

COMPENSATION COMMITTEE CHARTER

I. GENERAL FUNCTIONS, AUTHORITY, AND ROLE

The compensation committee is a committee of the board of directors. Its primary function shall be to (a) evaluate officer and director compensation policies, goals, plans and programs; (b) administer the company's executive compensation programs and make recommendations to the Board concerning officer and director compensation; and (c) administer the company's stock option and equity incentive plans and award stock options and direct stock issuances under the plans to the company's officers.

The committee shall have the resources and authority necessary to discharge its duties and responsibilities, including the authority to retain outside counsel or other experts or consultants, as it deems appropriate. The committee shall have direct, independent and confidential access to the company's other directors, management and personnel, as well as to the company's books, records and facilities, to carry out the committee's purposes. Neither the Chief Executive Officer nor any non-independent director, however, is permitted to be present at any meetings during which the committee is discussing, deliberating, evaluating, establishing corporate policies, goals and objectives with respect to, reporting on, or voting on the Chief Executive Officer's performance or compensation. The committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain and terminate at the company's expense any compensation-consulting firm to assist in evaluating director, Chief Executive Officer or other executive officer compensation, and any independent counsel or other advisers selected by the Committee for matters related to the committee's purposes.

The responsibilities of a member of the compensation committee shall be in addition to such member's duties as a member of the board of directors.

II. MEMBERSHIP

The membership of the compensation committee shall consist of at least two members of the board of directors who shall serve at the pleasure of the board of directors. All members of the compensation committee shall meet the independence and experience requirements of The Nasdaq Stock Market, Inc. or similar requirements of such other securities exchange or quotation system as may from time to time apply to the company (including any applicable exceptions therefrom as may be in the best interests of the company and its stockholders). In addition, all committee members shall qualify as "non-employee directors" within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, and as "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, or such successive provisions.

Compensation committee members and the committee chair shall be appointed annually for one-year terms by a majority of the full board of directors. Vacancies on the committee shall be filled by majority vote of the board of directors at the next meeting following the occurrence of the vacancy or as soon as practicable thereafter. No member of the committee may be removed except by majority vote of the independent directors then in office.

No member of the Committee may receive, directly or indirectly, any compensation or consulting or advisory fee from the company, other than director's fees (including any additional amounts paid to the chair of committees and members of committees of the board), except as may otherwise be permitted under the rules of the Nasdaq Stock Market and applicable SEC rules and regulations.

IV. RESPONSIBILITIES

The responsibilities of the compensation committee shall be as follows:

- Meet at least four times per year, or more frequently as circumstances or the obligations of the committee require. A majority of the members of the committee will constitute a quorum for the

transaction of business.

- Report committee actions to the board of directors with such recommendations as the committee may deem appropriate.
- Annually review and reassess the adequacy of this charter and submit any modifications to the board of directors for approval.
- Review and approve the report and compensation discussion, as applicable, required by the rules of the Securities and Exchange Commission to be included in the company's annual proxy statement.
- Establish, review and approve the overall corporate philosophy, policies, goals and objectives for the compensation of the company's Chief Executive Officer and other executive officers, based on such factors as the committee shall deem relevant.
- At least annually, evaluate the performance of the Chief Executive Officer and other executive officers in light of the corporate goals and objectives. Determine and make a recommendation to the Board regarding the compensation of the Chief Executive Officer and other executive officers.
- Establish, review and approve director compensation and benefits, including retainers, meeting fees, committee fees, equity-based plans and other similar components of director compensation and benefits, based on such factors as the committee shall deem relevant.
- Review and assist the Board in developing succession plans for the executive officers and other appropriate management personnel. The committee also shall assist the Board in evaluating potential candidates for executive officers of the company.
- Administer the company's stock option and equity incentive plans and award stock options and direct stock issuances under the plans to the company's officers.
- Periodically review and make recommendations to the Board (and, where required by the listing standards or where the committee otherwise deems it appropriate, to the company's stockholders) concerning the company's equity-based and other incentive compensation plans, including such matters as amendments to, terminations of, and changes in the number of shares reserved for issuance under, such plans, or the establishment of new plans.
- As applicable, recommend to the board of directors the frequency (every year, every other year or every three years) for the submission of a non-binding advisory vote to approve the company's executive compensation as disclosed in its annual proxy statement, or recommend to the board of directors that it make no recommendation regarding such frequency.
- Perform such other functions as may be assigned by law, the listing standards, Securities and Exchange Commission rules, the company's certificate of incorporation or bylaws, or the Board.