

Policy Regarding Nominations of Directors

The Nominating and Corporate Governance Committee (the “Committee”) has adopted the following policy (the “Director Nomination Policy”) to assist it in fulfilling its duties and responsibilities as provided in its charter (the “Charter”). This Director Nomination Policy may be amended and/or restated from time to time by the Committee in accordance with the Charter and as provided herein.

1. Recommended Candidates. The Committee shall consider any and all candidates recommended as nominees for directors to the Committee by any directors, officers or shareholders of the Company; *provided* that in the case of shareholder recommendations, such recommendations comply with the notice requirements set forth in the Company’s By-Laws for a shareholder’s nomination to be properly brought before an annual meeting of shareholders and any other applicable notice requirements set forth in the Company’s By-Laws. The Committee may also consider, in its sole discretion, any and all candidates recommended as nominees for directors to the Committee by any source.

2. 5% Shareholder Recommendations. The Company’s proxy statement shall identify any candidates recommended by shareholder(s) owning more than 5% of the Company’s Common Stock, and identify the shareholder making such recommendation, as provided in and to the extent required by the federal securities laws.

3. Proxy Access Shareholder Nominations. The Company’s proxy statement and proxy card for an election of directors at an annual meeting of shareholders of the Company, and any ballot distributed at such election, shall include, as set forth in Article 1, Section 9 of the Company’s By-Laws, the name, together with (in the case of such proxy statement only) the Required Information (as defined therein) with respect to any individual nominated by eligible shareholder(s) of the Company in accordance with the procedures set forth in Article 1, Section 9 of the Company’s By-Laws.

3. Desired Qualifications, Qualities and Skills. The Committee shall endeavor to find individuals of high integrity who have a solid record of accomplishment in their chosen fields and who possess the qualifications, qualities and skills to effectively represent the best interests of all shareholders. Candidates will be selected for their ability to exercise good judgment, and to provide practical insights and diverse perspectives. Candidates also will be assessed in the context of the then-current composition of the Board of Directors, the operating requirements of the Company and the long-term interests of all shareholders. In conducting this assessment, the Committee will, in connection with its assessment and recommendation of candidates for director, consider diversity (including, but not limited to, gender, race, ethnicity, age, experience and skills) and such other factors as it deems appropriate given the then-current and anticipated future needs of the Board and the Company, and to maintain a balance of perspectives, qualifications, qualities and skills on the Board.

The Committee considers the following qualifications at a minimum to be required of any Board members in recommending to the Board of Directors potential new Board members, or the continued service of existing members:

- the highest professional and personal ethics;
- broad experience in business, government, education or technology;
- ability to provide insights and practical wisdom based on their experience and expertise;
- commitment to enhancing shareholder value;
- sufficient time to effectively carry out their duties; their service on other boards of public companies should be limited to a reasonable number;
- compliance with legal and regulatory requirements;
- ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with senior management of the Company; and
- independence; a substantial majority of the Board shall consist of independent directors, as defined in this Director Nomination Policy.

Other than the foregoing, there are no stated minimum criteria for director nominees, although the Committee may also consider such other factors as it may deem are in the best interests of the Company and its shareholders. The Committee does, however, believe it appropriate for at least one member of the Board to meet the criteria for an "audit committee financial expert" as defined by Securities and Exchange Commission rules.

The Company is committed to maintaining its tradition of inclusion and diversity within the Board, and confirms that its policy of non-discrimination based on race, color, religion, sex, national origin, ethnicity, age, disability, veteran status, pregnancy, marital status, sexual orientation or any other reason prohibited by law applies in the assessment and selection of all candidates.

4. Independence. The Committee believes and it is the policy of the Company that a substantial majority of the members of the Board meet the definition of "independent director" set forth in this Director Nomination Policy. The Committee shall annually assess each nominee for director by reviewing any potential conflicts of interest and outside affiliations, based on the criteria for independence set out below.

An independent director is one who:

(1) has no material relationship with the Company, either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company;

(2) is not an employee of the Company and no member of his or her immediate family is an executive officer of the Company;

(3) has not been employed by the Company and no member of his or her immediate family has been an executive officer of the Company during the past three years;

(4) has not received and no member of his or her immediate family has received more than \$120,000 per year in direct compensation from the Company in any capacity other than as a director or as a pension for prior service during the past three years;

(5) (A) is not a current partner or employee of a firm that is the Company's internal or external auditor; (B) does not have an immediate family member who is a current partner of the Company's internal or external auditor; (C) does not have an immediate family member who is a current employee of the Company's internal or external auditor and who personally works on the Company's audit; and (D) within the last three years was not and no member of his or her immediate family was a partner or employee of the Company's internal or external auditor and personally worked on the Company's audit within that time;

(6) is not and no member of his or her immediate family is currently, and for the past three years has not been, and no member of his or her immediate family has been, part of an interlocking directorate in which an executive officer of the Company serves on the compensation committee of another company that employs the director or an immediate family member of the director;

(7) is not an executive officer or an employee, and no member of his or her immediate family is an executive officer, of another company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any single year, exceeds the greater of \$1 million, or 2% of such other company's consolidated revenues during any of the past three years;

(8) is free of any relationships with the Company that may impair, or appear to impair, his or her ability to make independent judgments; and

(9) is not and no member of his or her immediate family is employed as an executive officer of a charitable organization that receives contributions from the Company or a Company charitable trust, in an amount which exceeds the greater of \$1 million or 2% of such charitable organization's total annual receipts.

This policy may be modified temporarily if, due to unforeseen circumstances, strict adherence would be detrimental to the Board's performance.

For purposes of determining a "material relationship," the Committee shall utilize the following standards:

1. Any payments by the Company to a director's primary business affiliation or the primary business affiliation of an immediate family member of a director for goods or services, or other contractual arrangements, must be made in the ordinary course of business and on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons.

2. The aggregate amount of such payments must not exceed 2% of the Company's consolidated gross revenues; provided, however, there may be excluded from this 2% standard payments arising from (a) competitive bids which determined the rates or charges for the services and (b) transactions involving services at rates or charges fixed by law or governmental authority.

For purposes of these independence standards, (i) immediate family members of a director include the director's spouse, parents, stepparents, children, stepchildren, siblings, mother- and father-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone (other than domestic employees) who shares the director's home and (ii) the term "primary business affiliation" means an entity of which the director or the director's immediate family member is a principal/executive officer or in which the director or the director's immediate family member holds at least a 5% equity interest.

5. Nominee Evaluation Process. The Committee will consider as a candidate any director of the Company who has indicated to the Committee that he or she is willing to stand for re-election as well as any other person who is recommended by any shareholders of the Company in accordance with the procedures described under "Recommended Candidates" in Section 1 and under "5% Shareholder Recommendations" in Section 2. The Committee may also undertake its own search process for candidates and may retain the services of professional search firms or other third parties to assist in identifying and evaluating potential nominees and, if fees are paid to such persons in any year, such fees shall be disclosed in the next annual proxy statement relating to such year. The Committee may use any process it deems appropriate for the purpose of evaluating candidates which is consistent with the policies set forth in the Charter, the Company's By-Laws, the Corporate Governance Guidelines and this Director Nomination Policy, which process may include, without limitation, personal interviews, background checks, written submissions by the candidates and third party references. Although the Committee may seek candidates that have different qualities and experiences at different times in order to maximize the aggregate experience, qualities and strengths of the Board members, nominees for each election or appointment of directors shall be evaluated using a substantially similar process and under no circumstances shall the Committee evaluate nominees recommended by a shareholder of the Company pursuant to a process substantially different than that used for other nominees for the same election or appointment of directors.

6. Categorize Recommendations. For purposes of facilitating disclosure required in the proxy statement, the Committee and the Corporate Secretary shall identify and organize the recommendations for nominees received by the Committee (other than nominees who are executive officers or who are directors standing for re-election) in accordance with one or more of the following categories of persons or entities that recommended that nominee:

- (1) a shareholder, a 5% shareholder, independent director, chief executive officer, or other executive officer of the Company;
- (2) a third-party search firm used by or on behalf of the Company; and
- (3) any other specified source.

7. Voting for Directors. Each director and each nominee for election as director shall agree, by serving as a director or by accepting nomination for election as a director, that if while serving as a director such director is a nominee for re-election as a director at an annual meeting of the shareholders and fails to obtain the necessary shareholder vote, as provided in the Company's By-Laws, to be re-elected as a director at the annual meeting, he or she shall tender his or her resignation as a director for consideration by the Committee. The Committee shall evaluate the best interests of the Company and its shareholders and shall recommend to the Board the action to be taken with respect to such tendered resignation.

8. Material Changes to Nomination Procedures. For purposes of facilitating disclosure required in Form 10-K and Form 10-Q, the Committee and the Corporate Secretary shall identify any material changes to the procedures for shareholder nominations of directors for the reporting period in which such material changes occur.

9. Posting of Policy. This Director Nomination Policy shall be posted to the Company's website in accordance with the Company's Corporate Governance Guidelines.

10. Amendments to This Policy. Any amendments to this Director Nomination Policy must be approved by the Committee and ratified by the Board.

11. Applicability to Registered Companies. This Director Nomination Policy shall apply to all Company subsidiaries which are registered companies under the Exchange Act and that are required to file a proxy or information statement pursuant thereto, provided that the independence requirements contained herein shall not apply to such registered companies which constitute "controlled companies" within the meaning of NYSE listing requirements pursuant to an election by each controlled company, as permitted under NYSE listing requirements.

Dated: February 12, 2016