

## DIRECTOR QUALIFICATION STANDARDS

For a Company director to be considered independent under New York Stock Exchange rules (the “Rules”), the Board of Directors must affirmatively determine that such director does not have any direct or indirect material relationship with the Company other than as a director. The Board has established these Director Qualification Standards to assist it in determining director independence in accordance with the Rules. The Board will consider relevant facts and circumstances in making an independence determination.

### Relationships Precluding Independence

- a. A director will not be considered independent if any of the following relationships (collectively, the “Precluding Relationships”) exist:
  - (i) the director is, or has been within the last three years, employed by the Company, provided, however, that employment as an interim Chairman, CEO or other executive officer shall not disqualify a director from being considered independent following that employment;
  - (ii) an immediate family member<sup>1</sup> of the director is, or has been within the last three years, employed by the Company as an executive officer;
  - (iii) the director has received, or an immediate family member of the director has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service);
  - (iv)(A) the director or an immediate family member is a current partner of the firm that is the Company’s internal or external auditor;
  - (B) the director is a current employee of such firm;
  - (C) the director has an immediate family member who is a current employee of such firm and who personally works on the Company’s audit; or
  - (D) the director or an immediate family member was within the last three years (but is no longer) a partner or employee of such firm and personally worked on the Company’s audit within that time;
  - (v) the director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company’s present executive officers at the same time serves or served on that company’s compensation committee; or

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<sup>1</sup> As defined in the Rules.

- (vi) the director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1,000,000 or two percent of such other company's consolidated gross revenues as reported for its last completed fiscal year.

#### Relationships That Do Not Preclude Independence

- b. The following relationships will not be considered to be material relationships that would impair a director's independence unless they otherwise conflict with the Rules, the rules and regulations of the Securities and Exchange Commission, or any other legal or regulatory restrictions that relate to determining independence and are applicable to the Company at the time (collectively, the "Permitted Relationships"):
  - (i) if a Company director or an immediate family member is employed (including as an executive officer) by another company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, has not exceeded the greater of \$1,000,000 or one percent of such other company's consolidated gross revenues as reported for its last completed fiscal year;
  - (ii) if a Company director or an immediate family member is employed (including as an executive officer) by another company which is indebted to the Company, or to which the Company is indebted, and the total amount of either company's indebtedness to the other at the end of the last completed fiscal year is less than one percent of the total consolidated assets of such other company;
  - (iii) if a Company director or an immediate family member serves as an officer, director or trustee of a charitable organization, and the Company's discretionary charitable contributions to the organization are less than one percent of that organization's total annual charitable receipts during its last completed fiscal year;
  - (iv) if a Company director or an immediate family member has a membership in, or association with, the same professional association or social, educational, fraternal or religious organization, club or institution as an executive officer or another director of the Company;
  - (v) relationships arising from or attributable to service as a Company director, including receipt of director or committee fees or reimbursement of expenses; and
  - (vi) if a Company director receives pension or other forms of deferred compensation from the Company for prior service (provided that such compensation is not contingent in any way on continued service);

## Evaluation of Independence

- c. The Board will examine the independence of each of its members annually or more frequently if circumstances warrant. If a director has one or more Precluding Relationships, that director will not be determined to be independent by the Board. If a director has no relationship with the Company other than Permitted Relationships, that director will be presumed to be independent. For relationships with the Company other than Precluding Relationships and Permitted Relationships (the “Other Relationships”), the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who have no relationships with the Company other than Permitted Relationships. The Board may determine that a director who has one or more Other Relationships with the Company (to the extent that any such relationship would not constitute a bar to independence under the Rules) is nonetheless independent. Regardless of other circumstances, a director will not be independent if such director does not meet the independence standards set forth in the Rules, the rules and regulations of the Securities and Exchange Commission, or any other legal or regulatory restrictions that relate to determining independence and are applicable to the Company at the time.