

COMPENSATION COMMITTEE CHARTER

The compensation committee is a committee of the board of directors. The membership of the compensation committee shall consist of at least two non-employee members of the board of directors who shall serve at the pleasure of the board. Compensation committee members and the compensation committee chairman shall be designated by the full board of directors upon recommendation of the chairman of the board.

The compensation committee reviews, approves and makes recommendations on the compensation policies, practices and procedures to ensure that legal and fiduciary responsibilities of the Board of Directors are carried out and that such policies, practices and procedures contribute to the success of the Corporation. In meeting its responsibilities, the compensation committee is expected to:

1. Provide an open avenue of communication between management and the board of directors.
2. Report committee actions to the board of directors with such recommendations as the committee may deem appropriate.
3. Review and update the committee's charter annually.
4. Recommend to the board of directors the appointment and compensation of the CEO, CFO and other senior executives on an annual basis, after review of management's recommendation and consideration of relevant issues. Senior executives are currently defined as executives at the Senior Vice President level and above.
5. Review and approve any proposed severance arrangements made in connection with the termination either voluntarily or involuntarily of the CEO, CFO and any other senior executives.
6. Review and approve any loans made to any officers of the company and related disclosure in the appropriate SEC filings relating to such loans.
7. Review of the compensation policies of the company apportionment of compensation among salary and short-term and long term incentives on an annual basis.
8. Inquire of management and the independent public accountants about significant risks or exposures related to employment practices and policies and assess the steps management has taken to minimize such risk to the company.
9. Authorize the CEO and CFO to grant initial grants to new hires of the company , with the grant date being the first date of employment of the new hire, as long as the grant

is within the approved guidelines for such new hires. The compensation committee shall review on an annual basis the guidelines as proposed by management and recommend to the board of directors for approval stock option grant guidelines on an annual basis.

10. Approve stock awards as recommended by management under the Amended and Restated 1996 Stock Incentive Plan that are not initial grants to new hires under approved guidelines.
11. Review and approve on annual basis the plan proposed by management for issuance of stock awards during the coming year and the need if any to increase the number of shares available for grant under the Amended and Restate 1996 Stock Incentive Plan and the 1998 Stock Purchase Plan. Recommend to the Board of Directors any amendments to such plans.
12. Review and make recommendations for consideration by the Board of Directors with respect to major organizational changes affecting the Corporation.
13. Perform such other functions as assigned by law, the Corporation's charter or bylaws, or the board of directors.

The compensation committee shall have the power to conduct or authorize investigations into any matters within the committee's scope of responsibilities. The committee shall be empowered to retain independent counsel, or others to assist it in the conduct of any investigation.

The committee shall meet at least four times per year or more frequently as circumstances require. The committee may ask members of management or others to attend the meeting and provide pertinent information as necessary. Meetings will be scheduled to ensure that;

- awards made under the Amended and Restated 1996 Stock Incentive Plan are in accordance with the guidelines approved by the committee,
- the annual compensation plan is reviewed prior to presentation of annual operating plan to the board of directors, and
- the executive compensation plan is to reviewed and approved annually.

The duties and responsibilities of a member of the compensation committee are in addition to those duties set out for a member of the board of directors.