

## **Recoupment of Performance-Based Incentives**

On February 12, 2010, the Board of Directors (“Board”) adopted a policy regarding the recoupment of performance-based awards (bonus, short-term and long-term incentive compensation). The policy applies to performance-based awards for performance periods commencing after January 1, 2010. Under the policy, if the Board determines that the Company's financial statements are required to be restated as a result of fraud committed by a Section 16 officer, then the Board may seek to recoup any portion of the performance-based awards that the Section 16 officer would not have received if the Company's financial results had been reported properly. The Board administers the policy and determines, in its sole discretion, the amount of the performance-based award to be recouped. The policy applies to performance-based awards for which performance goals have been achieved for the performance period within the 12 months following the release of the Company's filed financial statements that become subject to a restatement as a result of fraud committed by a Section 16 officer. (For example, if the 2009 financial statements are restated during 2010 as a result of fraud committed by a Section 16 officer, then the Section 16 officer's 2009 performance-based awards may be subject to recoupment.)

The remedies that may be sought by the Board are subject to a number of conditions, including, that: (1) the performance-based awards to be recouped were calculated based upon the financial results that were restated as a result of the Section 16 officer's fraud, (2) the Section 16 officer committed fraud, and (3) the performance-based awards calculated under the restated financial results are less than the amount actually paid or awarded.