

**Related Person Transaction Policy**

The Company recognizes that transactions with Related Persons can present potential or actual conflicts of interest and therefore has adopted this policy which shall be followed in connection with all Related Person Transactions involving the Company.

Under this Policy, any Related Person Transaction shall be entered or continued only if the Corporate Governance and Nominating Committee shall approve or ratify such transaction in accordance with the guidelines set forth in this Policy.

For purposes of this Policy, a Related Person is:

1. An executive officer<sup>1</sup>, director, or director nominee of the Company.
2. A shareholder owning in excess of 5% of the Company's stock (or its controlled affiliates).
3. A person who is an immediate family member<sup>2</sup> of an executive officer, director or director nominee, or 5% shareholder of the Company's stock (or its controlled affiliate.)
4. An entity which is owned or controlled by someone listed in 1, 2, or 3 above, or an entity in which someone listed in 1, 2, or 3 above has a substantial ownership interest or control of such entity.

For these purposes, a Related Person Transaction is a financial transaction, arrangement or relationship, or any series of similar transactions, between the Company and an entity in which any Related Person will have a direct or indirect material interest, other than:

1. Transactions available to all employees generally.
2. Transactions involving less than \$25,000 annually (\$6250 quarterly) when aggregated with all similar transactions.

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<sup>1</sup> An executive officer is an individual who meets the definition at Exchange Act Rule 16A-1(f).

<sup>2</sup> An "immediate family member" means any child, stepchild, spouse, parent, stepparent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, or any person (other than a tenant or an employee) sharing the household of such person.

This includes any transactions requiring disclosure under item 404 of Regulation SK under the Securities and Exchange Act of 1934.

Corporate Governance and Nominating Committee Procedures

1. At each regularly-scheduled Corporate Governance and Nominating Committee meeting, any proposed Related Person Transaction shall be brought before the Corporate Governance and Nominating Committee (the "Committee"). Proposed Related Person Transactions may include an aggregate value of such transactions, if applicable. The Committee must be informed of (a) the Related Person's relationship or interest, including all conflicts of interest that may exist or otherwise arise on account of the Related Person Transaction, and (b) the material facts of the proposed Related Person Transaction.

2. The Committee shall determine whether to approve a Related Person Transaction after considering the following factors, as deemed relevant by the committee:

- Whether the transaction is on terms comparable to those that could be obtained in arms-length dealing with an unrelated third party;
- Whether there are business reasons to enter into the Related Person Transaction;
- Whether the Related Person Transaction could impair the independence of a director;
- Whether the annual amount of transactions exceeds the greater of \$200,000 or 5% of the recipient's gross revenues for the year;
- Whether the Related Person Transaction would present an improper conflict of interest, taking into account the size of the transaction, the overall financial position of the executive officer, Director or Director Nominee, the direct or indirect nature of the interest of the executive officer, Director or Director Nominee in the transaction, the ongoing nature of any proposed relationships or any other factors the Committee deems relevant.

3. The Committee will approve such transactions to be entered into by the Company, including the ratification of such transactions if applicable. At subsequent meetings, management shall update the Committee as to any material changes to those proposed transactions.

4. The Committee shall also periodically review and assess ongoing relationships with Related Persons to assure compliance with the Committee's guidelines and directives and to ensure that such Related Person Transaction remains fair to the Company.

5. Any member of the Committee who has an interest in the transaction under consideration will abstain from voting, but may participate in the discussion if invited to do so by the Chair of the Committee.

6. These procedures generally should be used to approve Related Person Transactions in advance of the transaction being entered into. On occasion, however, it may be advisable to commence a Related Person Transaction before the Corporate Governance and Nominating Committee has evaluated it, or a transaction may commence before it is discovered there is a Related Person. Accordingly, in such instances, notwithstanding the above, management should consult with the Chair of the Committee to determine the appropriate course of action, which may include subsequent ratification by the Committee.

#### Disclosure

Related Person Transactions are to be disclosed in the Company's applicable filings as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules. Any material Related Person Transaction shall be disclosed to the full Board of Directors.