

CORPORATE GOVERNANCE GUIDELINES

1. DIRECTOR QUALIFICATIONS

The Company shall have a majority of Directors who meet the criteria for “independence” required by applicable stock exchange listing requirements. In order to qualify a Director as independent, the Board of Directors shall affirmatively determine that the Director 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).

The Board seeks members from diverse professional backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. Directors should have experience in positions with a high degree of responsibility, be leaders in the organizations with which they are affiliated, and be selected based upon contributions they can make to the Board and management. They should also be free from relationships or conflicts of interest that could interfere with the Director’s duties to the Company and its shareholders.

2. DIRECTOR RESPONSIBILITIES

The basic responsibility of a Director is to exercise his/her business judgment in overseeing the conduct of the Company’s business, including evaluating whether the business is being properly managed. The Director should act on the basis of what he/she reasonably believes to be in the best interests of the Company and its shareholders. In discharging that obligation, a Director should be entitled to rely on the honesty and integrity of the Company’s senior executives and the Company’s outside advisers and auditors.

The Board of Directors has delegated to the Chairman, working with the other executive officers of the Company, the authority and responsibility for managing the business of the Company in a manner consistent with the standards of the Company, and in accordance with any specific directions of the Board.

Directors are expected to attend Board meetings and meetings of Committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

3. SIZE OF THE BOARD

The Board is comprised of no less than 5 members. The precise number is determined from time to time by resolution adopted by a majority vote of Directors in office at the time of the vote.

4. SELECTION OF BOARD MEMBERS

The Board is comprised of three tiers of members with staggered three-year terms. One tier of members is elected each year by the Company’s shareholders at the annual meeting of shareholders. The Board recommends to the shareholders a slate of nominees for election at the annual meeting. Between annual meetings of shareholders, the Board may elect Directors to serve until the next annual meeting. Nominees for Directorship will be selected by the Nominating and Corporate Governance Committee, in accordance with the policies and principles in its charter, and nominated for election by the Board.

In any uncontested election of Directors, the Board must determine whether to accept the irrevocable resignation of any Director nominee who receives a greater number of votes “withheld” from his or her election than votes “for” such election (a “Withheld Director”).

The Nominating and Corporate Governance Committee, excluding any Withheld Director(s) in question, shall promptly consider the resignation offer and recommend to the full Board whether to accept it. If a majority of the members of the Committee are Withheld Directors in the same election, the Board will appoint a committee comprised of independent directors solely for the purpose of considering the tendered resignations and making the recommendation to the Board in place of the Committee.

In reaching its decision, the Committee may consider any factors it considers relevant, including, without limitation: (i) any stated reasons why shareholders “withheld” votes for election of the Withheld Director; (ii) the length of service and qualifications of the Withheld Director; (iii) the Withheld Director’s past and expected future contributions to the Corporation; (iv) the overall composition of the Board; (v) whether accepting the tendered resignation would cause the Company to fail to meet any applicable rule or regulation, including New York Stock Exchange listing requirements and federal securities laws; and (vi) whether the resignation of the Withheld Director could result in the triggering of change of control or similar provisions under any contract by which the Company is bound or any benefit plan of the Company, and if so, the potential impact thereof. In making its recommendation to the Board, the Committee may consider possible remedies in addition to acceptance of the resignation, including alternatives for curing the underlying cause of the “withheld” votes, if known.

This policy will be summarized or included in the Company’s proxy statement each time shareholders are asked to elect Directors.

5. TERM LIMITS AND AGE LIMITS

The Board does not believe it should limit the number of terms for which an individual may serve as a Director. Directors who have served on the Board for an extended period of time are able to provide valuable insight into the Company’s operations and prospects based on their experience with and understanding of the Company’s history, policies and objectives. The Board believes that it can obtain new ideas and viewpoints through the application of the nominating process described above.

The Company does not have a mandatory retirement age for directors. However, each director must tender his or her resignation to the Chairman of the Board (or, in the case of the Chairman of the Board, to the Chairman of the Nominating and Governance Committee) by November 1st of each year following his or her 75th birthday. Whether the resignation is accepted or rejected is a matter for consideration by the Board.

6. SELECTION OF CHAIRMAN AND CEO

The Company has no fixed rule as to whether these offices should be vested in the same person or two different people, or whether the Chairman should be an employee of the Company or should be elected from among the non-employee Directors. The Board believes that this issue is part of the succession planning process and it is in the best interests of the Company to make such a determination when it elects a new CEO.

7. ANNUAL PERFORMANCE EVALUATION

Board Effectiveness Review

The Board will conduct an annual self-evaluation to determine whether it and its Committees are functioning effectively. The Nominating and Corporate Governance Committee shall provide oversight of the evaluation of the Board. The Nominating and Corporate Governance Committee will receive comments from all Directors and report to the Board with an assessment of the Board’s performance and any recommendations following

each such review. All Directors are free to make suggestions on improvement of the Board's practices at any time and are encouraged to do so. The purpose of the review is to increase the effectiveness of the Board as a whole.

Director Evaluation

The Nominating and Corporate Governance Committee shall be responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of prospective Board members as well as the composition of the Board as a whole. This assessment will include members' qualification as independent, as well as consideration of diversity, age, skills and experience in the context of the needs of the Board. The Board expects that the Nominating and Corporate Governance Committee will take action to effect changes in incumbent Directors if, in the opinion of the Committee after discussion with the Chairman, such changes are deemed appropriate.

8. MEETINGS OF THE BOARD

The Board meets regularly on previously determined dates and conducts special meetings in accordance with the Company's bylaws.

9. BOARD MEETING AGENDAS

The Chairman establishes the agenda for each Board meeting. Board members are encouraged to suggest items for inclusion on the agenda.

10. BOARD MATERIALS DISTRIBUTED IN ADVANCE

The agenda for each meeting is provided to the Directors in advance of the meeting together with written materials on certain matters to be presented for consideration. Management will endeavor to provide material that is concise and informative. Directors should review these materials in advance of the meeting to preserve time at the meeting and to provoke questions and discussion about the material.

11. EXECUTIVE SESSIONS OF DIRECTORS

Non-management Directors will meet regularly in executive session without management participation. The Vice Chairman of the Board shall preside at the executive sessions. The name of the Director who chairs the executive session shall be disclosed in the Company's annual proxy statement.

12. DIRECTOR COMPENSATION

The Board sets the level of compensation for Directors, based on the recommendation of the Compensation Committee. Directors who are also current employees of the Company receive no additional compensation for service as Directors.

From time to time, the Compensation Committee reviews the amount and form of compensation paid to Directors, taking into account the compensation paid to Directors of other companies in its peer group and other large U.S. companies of similar size. The Committee's review may be conducted with the assistance of outside experts in the field of executive compensation.

The Board should be aware that questions as to Directors' independence may be raised if Directors' fees and emoluments exceed what is customary. Similar concerns may be raised if the Company makes substantial charitable contributions to organizations in which a Director is affiliated, or enters into consulting contracts

with (or provides other indirect forms of compensation to) a Director. The Board should critically evaluate each of these matters when determining the form and amount of Director compensation, and the independence of a Director.

13. BOARD ACCESS TO SENIOR MANAGEMENT AND INDEPENDENT ADVISERS

Board members have complete access to the Company's management and its independent advisers. It is assumed that Board members will use judgment to be sure that such contact with senior management and the Company's independent advisers is not distracting to the business operations of the Company and that the Chairman will be advised of any such contact.

14. REGULAR ATTENDANCE OF NON-DIRECTORS AT BOARD MEETINGS

The Board believes it is important for Directors to know the Company's key senior officers. The Chairman shall designate key members of senior management to regularly attend meetings of the Board.

15. BOARD COMMITTEES

The Board establishes Committees to assist the Board in overseeing the affairs of the Company. The Board shall have, at a minimum, the following three standing Committees: Audit, Nominating and Corporate Governance, and Compensation.

The Audit, Nominating and Corporate Governance, and Compensation Committees will each have its own charter in compliance with applicable stock exchange listing requirements. The charter will set forth the purpose and responsibilities of each Committee.

16 COMMITTEE CHAIRMAN

If a committee chairman decides that he/she wishes to resign, he/she should tender his/her resignation to the Chairman.

When a committee chair becomes vacant or a committee Chairman tenders his/her resignation, the Chairman of the Nominating and Governance Committee should organize a discussion with the Chairman and Vice Chairman of the Board and others as appropriate, to nominate a candidate for the opening. The candidate would then be presented to the Board for approval.

17. COMMITTEE AGENDAS

The Chair of each Committee, in consultation with Committee members and appropriate members of management, shall determine Committee agendas. The Committee Chair will also determine the length and frequency of Committee meetings consistent with any applicable requirements set forth in the Committee's charter, statute, the Company's bylaws or certificate of incorporation.

18. MEMBERSHIP OF BOARD COMMITTEES

The Nominating and Corporate Governance Committee, in consultation with the Chairman, and in consideration of the wishes of the individual Directors, recommends to the full Board the membership of each Committee.

The Audit, Nominating and Corporate Governance, and Compensation Committees are each comprised entirely of "independent" Directors as defined by applicable stock exchange listing requirements.

19. COMMITTEE MATERIALS

The agenda for each Committee meeting is provided in advance of the meeting. As a general rule, written materials are provided in advance on certain matters to be presented for consideration.

20. ROTATION OF COMMITTEE ASSIGNMENT

The Board believes the Committee assignments should be based on the Director's knowledge, interests and areas of expertise. The Board believes experience and continuity are more important than rotation and Board members should only be rotated if rotation is likely to improve Committee performance or facilitate the work of the Committee.

21. FORMAL EVALUATION OF CHAIRMAN

The Compensation Committee annually reviews and evaluates the performance of the Chairman. The review is based upon objective criteria, including the performance of the business and accomplishments of objectives previously established in consultation with the Chairman.

The Compensation Committee Chairman reports to the Board on the evaluation in Executive Session.

The results of the review and evaluation are communicated to the Chairman by the Chairman of the Compensation Committee and are used by that Committee and the Board when considering the compensation of the Chairman.

22. MANAGEMENT DEVELOPMENT AND SUCCESSION PLANNING

The Chairman reports regularly to the Board on management development and succession planning. As part of this review, the Chairman advises the Board as to his recommendation for a successor should he unexpectedly become disabled or in the event of an emergency or his retirement.

23. EXTERNAL COMMUNICATION

The CEO is responsible for all communication with the media, financial community or other external entities pertaining to the affairs of the Company.

24. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

Each new non-management Director shall participate in the Company's orientation program, which is conducted as soon as practicable after the new Director is elected to the Board. This orientation will include presentations by senior management to familiarize new Directors with the Company's strategic plans; its significant financial, accounting and risk management issues; its compliance programs; its Code of Ethics, Business Conduct Guidelines and Board Governance Guidelines; and its principal officers. All other Directors will be invited to attend the orientation program.

Directors are encouraged to attend continuing education seminars that will be beneficial to them in the discharge of their duties as Directors. The Company will pay for the cost and related travel expenses of seminars, which have been approved by the Chairman.

25. CODE OF ETHICS AND BUSINESS CONDUCT GUIDELINES

The Company shall adopt and disclose a Code of Ethics and Business Conduct Guidelines for Directors, officers and employees. The Board or a Board Committee shall approve all waivers of the Code of Ethics and Business

Conduct Guidelines for executive officers and Directors and all waivers shall be disclosed to shareholders in accordance with the Code of Ethics and Business Conduct Guidelines.

26. CONFLICT WITH THE BYLAWS OF THE COMPANY

In the event that a conflict exists between the Corporate Governance Guidelines and the bylaws of the Company, the provisions of the bylaws shall control.