



RISK OVERSIGHT COMMITTEE CHARTER

Purpose

The Risk Oversight Committee shall assist the Board of Directors in overseeing the Company's risks and in assessing the appropriateness of the Company's strategy in light of the risks of the strategy. The Committee will review the Company's risk management philosophy, the Company's appetite for risk and the alignment of the Company's business practices with the risk management philosophy. The Committee recognizes that risk is integral to strategy and essential for a business to succeed. Management is expected to pursue prudent risks to generate sustainable performance and shareholder value.

Governance

1. *Membership:* The Committee shall be composed of not fewer than three directors appointed by the Board who shall serve until such member's successor is duly elected and qualified or until such member resigns or is removed.

Based on the recommendations of the Nominating and Corporate Governance Committee, the Board shall review the composition of the Committee annually and fill vacancies. The full Board shall elect the Chairman of the Committee, who shall set the agendas for Committee meetings and chair all such meetings.

Members of the Committee may be removed, with or without cause, by a majority vote of the Board.

2. *Meetings:* The Committee shall meet at least two times annually, or more frequently as the Committee Chairman determines. The members may attend any meeting by means of conference telephone or similar equipment that enables all meeting participants to communicate with each other. Except when the Chairman elects to meet in executive session and excludes members of management (including directors), all directors that are not members of the Committee may attend the meetings but may not vote. The Committee may invite to a meeting any members of management, outside professionals or others it deems appropriate or necessary to fulfill its duties.
3. *Quorum:* A simple majority of Committee members, in attendance personally or telephonically, constitutes a quorum for the conduct of business. The vote of a majority of a quorum of members is sufficient to take official action on behalf of the committee, except as hereinafter provided. No proxy voting shall be permitted.

Whenever a pending decision presents a potential conflict of interest for a committee member, that member shall notify the other members of the potential conflict and abstain from the decision making process.

4. *Action by Consent:* Official committee action may also be taken by unanimous written consent of all the Committee members.
5. *Reporting to Board:* The Committee Chairman will regularly report on the Committee's activities to the full Board.
6. *Authority and Funding:* The Committee shall have the authority to retain outside counsel and other experts, including the authority to approve the retention terms and payment for such experts. The Company will provide the necessary funding for the Committee's activities.
7. *Self-evaluation:* The Committee will evaluate its performance annually and report its conclusions and recommendations to the Board.
8. *Amendment of Charter:* The charter may be amended or modified at any time by majority vote of the Board of Directors. The Committee shall review its charter periodically and recommend changes to the Board for adoption.

Responsibilities

1. *General Responsibilities:* The role of the Risk Oversight Committee is one of oversight and as such the Committee relies on the expertise and knowledge of management, auditors, and other experts. Management of the Company is responsible for ensuring that the Company's risks are properly identified, monitored and managed. It is not the responsibility of the Committee to plan or conduct risk assessments, to provide assurance of compliance with laws and regulations, nor to provide assurance with respect to the adequacy of internal policies, practices, procedures or controls.
2. *Specific Duties:* The common recurring duties of the Committee shall include the following:
 - A. Reviewing the major risks to the business, particularly those identified by management;
 - B. Discussing with management the Company's risk assessment process, management's plans to control or mitigate the identified risks, and the proper disclosure of the risks to the board and its committees; and
 - C. Monitoring the identified enterprise risks and reviewing with management the amount of risk the Company is willing to accept or retain.

The Risk Oversight Committee shall not be responsible for oversight of those risks where oversight responsibility is allocated to the full Board or another committee of the Board. The Committee recognizes that other Board committees may engage in specific risk monitoring through their respective activities. Where oversight responsibility is shared, the Risk Oversight Committee will ensure effective oversight through oral or written reports from the other committees.