



## NOMINATING AND GOVERNANCE

### COMMITTEE CHARTER

(Adopted by the Board of Directors February 7, 2006)

#### **Purpose of the Committee**

The Nominating and Governance Committee (the "Committee") shall report to and assist the Board of Directors (the "Board") of the Company. The purpose of the Committee shall be to determine and recommend to the Board the slate of director nominees for election to the Board at each annual shareholders' meeting, to identify and recommend candidates to fill vacancies occurring between annual shareholders' meetings, to review, evaluate and recommend changes to the Company's corporate governance guidelines and policies, and monitor the Company's compliance with such guidelines and policies.

#### **Membership on the Committee**

1. The Committee shall be comprised of not less than three members of the Board.
2. All members of the Committee shall be independent directors, as independence is defined in accordance with the rules, regulations and standards of the American Stock Exchange or any other national securities exchange or any inter-dealer quotation system on which the Company's common stock is listed.
3. Members of the Committee, including the chairperson, shall be appointed and may be removed by the Board at any time with or without cause.

#### **Duties and Responsibilities of the Committee**

1. *Policies and Procedures for Nomination of Directors:* The Committee shall establish policies and procedures for the nomination of director candidates to the Board. In particular, the Committee shall establish a policy regarding minimum qualifications of director candidates and all procedures for identifying and evaluating candidates for nomination as directors, including candidates recommended by the Company's security holders. The Committee shall also establish a policy regarding the consideration of director candidates recommended by security holders and procedures to be followed by security holders in submitting such recommendations.
2. *Nomination of Directors:* The Committee shall annually consider the size, composition and needs of the Board and consider and recommend director candidates (including those recommended by the Company's security holders) for membership on the Board. The Committee shall recommend to the Board each year the director nominees for election at the next annual meeting of shareholders. As the need arises to fill vacancies, the Committee shall actively seek individuals qualified to become directors for recommendation to the Board.

3. *Committees of the Board*: The Committee shall review annually the purpose of the committees of the Board, recommend to the Board any changes deemed necessary or desirable to the purpose of the committees and whether any committees should be created or discontinued, and recommend to the Board the directors and chairperson to be appointed to each committee. The Committee shall review annually the adequacy of the charters adopted by each committee of the Board, and recommend changes as necessary.
4. *Corporate Governance Guidelines and Compliance*: The Committee shall review and assess the adequacy of the Company's guidelines and policies on corporate governance and recommend to the Board any changes deemed necessary or desirable. The Committee shall also monitor the Company's compliance with such guidelines and policies.
5. *Conflicts of Interest*: The Committee shall consider questions and possible conflicts of interest of directors as such questions arise. The Committee shall administer the Company's policies and procedures regarding the review, approval or ratification of transactions with related persons.
6. *Evaluation*: The Committee shall conduct an annual review of the performance of the Board, itself and the Board's other committees and report the results to the Board.
7. *Reports to the Board*: The Committee shall report regularly to the Board on its meetings and activities and review with the Board significant issues and concerns that arise at its meetings or in connection with its activities.
8. *Charter Review*: On an annual basis, the Committee shall review the adequacy of this Charter, and recommend to the Board any modifications or changes hereto for approval by the Board.
9. *Other Duties*: The Committee shall perform other duties and responsibilities expressly delegated to the Committee by the Board from time to time.

### **Meetings of the Committee**

The Committee shall meet at least three times each year. The Committee shall meet periodically in executive session without Company management present. Additional meetings may occur as the Committee or its chairperson deems advisable. The Committee will cause to be kept adequate minutes of its proceedings. The Committee shall be governed by the same rules regarding meetings (including meetings by telephone conference or similar communications equipment), action without a meeting, notice, waiver of notice, and quorum and voting requirements as are applicable to the Board. The Committee is authorized, but not obligated, to adopt its own rules of procedure not inconsistent with (a) any provision of this Charter, (b) any provision of the Bylaws of the Company, or (c) the laws of the state of Nevada.

### **Additional Authority of the Committee**

- The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate in its discretion.
- The Committee shall have authority to retain any search firm to assist in identifying director candidates, and to retain outside counsel and other advisors as the Committee may deem appropriate in its discretion in the conduct of its

duties and responsibilities under this Charter. For the avoidance of doubt, the Committee shall have the sole authority to retain, terminate and negotiate the terms and conditions of the retention of any such advisor. The Company shall provide for appropriate funding as determined by the Committee for payment of compensation to any search firm or any other advisors retained by the Committee.