

not believe that compensation decisions should be determined solely by how much compensation is deductible for federal income tax purposes. As a result, the Compensation Committee has authorized, and retains the discretion to authorize, payments that may not be deductible if it believes that they are in the best interests of the Company and its shareholders.

The foregoing provides only a general description of the application of federal income tax laws to certain types of awards under the Amended Plan. This discussion is intended for the information of shareholders considering how to vote at the Annual Meeting and not as tax guidance to participants in the Amended Plan, as the consequences may vary with the types of awards made, the identity of the recipients and the method of payment or settlement. Different tax rules may apply, including in the case of variations in transactions that are permitted under the Amended Plan (such as payment of the exercise price of an option by surrender of previously acquired shares). The summary does not address the effects of other federal taxes (including possible 'golden parachute' excise taxes) or taxes imposed under state, local, or foreign tax laws.

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By Order of the Board of Directors,



Timothy J. Jordan  
Vice President, General Counsel,  
Secretary and Chief Compliance Officer