

STATEMENT OF SELECTION & EVALUATION CRITERIA

Each investment vehicle selected for the Plan will be reviewed each calendar quarter. In addition, periodic meetings will be held, as necessary, to verify that the objectives of this statement are being carried out. The overall investment policy will be reviewed periodically. Any investment vehicle must meet certain standards to be included and to remain active as an investment option within the Plan. The criteria utilized to evaluate existing, as well as prospective new options, include, but are not limited to, the following:

Investment Vehicle Criteria

- Ownership & Management
- Personnel & Their Tenure
- Expenses
- Size
- Investment Strategies & Philosophy
- Diversification
- Risks
- Type and Management of the Investment Vehicle
- Guidelines
- Turnover
- Legal & Regulatory
- Client Servicing

Performance Criteria

- Earn Positive Real Return (i.e. Inflation Adjusted)
- Exceed General Benchmark (e.g. S&P 500)
- Exceed Style Benchmark (e.g. Russell 1000 Value)
- Exceed Median Of Peer Group (e.g. Rank)
- Earn Positive Risk-Adjusted Returns (e.g. Positive Alpha)

INVESTMENT OBJECTIVES AND GOALS

The Board recognizes the difficulty of achieving the investment objectives and goals in light of the uncertainties and complexities of the capital markets. To achieve the return objectives and goals, risks must be assumed. To minimize these risks, any investment decision will be viewed with the goal of diversification in an attempt to control risks and minimize losses. The members of the Board have made a conscious decision to provide participants with a broad array of investment choices so they have alternatives that provide different levels of risk and return.

Since the accounts are participant directed, no specific time horizon has been set to evaluate each investment option. However, since the funds are to be considered by participants as available for retirement purposes, the desire is to have quality investment alternatives that can provide the participants with favorable long-term returns. As a result, the goals for each investment option will be reviewed over a full economic market cycle, usually three to five years.

STATUS OF CORE INVESTMENT ALTERNATIVES

Once selected as an investment option for the Plan, an investment vehicle will be placed into one of the following four categories:

Active: The investment vehicle is in good standing and is available to all Plan participants.

Review: If objective or subjective concerns are detected, including due diligence and performance concerns, the Board may place the investment vehicle on review. Once an investment vehicle is placed on review, the Board will determine a specific plan to solve the issues that caused the review status. This plan may be established in conjunction with the Fund Company offering the investment vehicle. The Board will only approve a plan that it feels has a realistic chance of being achieved. In addition to periodic progress reviews by the Committee, a quarterly status review will determine if there has been any progress in correcting the deficiencies and if the review period should be extended. Investment vehicles placed in the review category will remain available as investment options to Plan participants, but if at any time the Board feels the investment vehicle is not making progress, the investment vehicle may be placed in the inactive or removed status.

Inactive: The investment vehicle is not available as a new investment option. However, participants who had placed assets into this investment option prior to its placement in the inactive status may, at the discretion of the Committee, continue to utilize this investment vehicle. An investment vehicle will be placed in this status for one of two reasons: the manager of the investment vehicle has decided to close the vehicle to new investors or the Board determined that new investments into this fund are no longer permissible.

Removed: The investment vehicle is being removed from the program, either at the direction of the manager of the investment vehicle or by the Committee, and all participants must remove their assets from this fund. Plan participants will be given a reasonable period of time to either choose a replacement investment vehicle or another of the investment alternatives within the Plan. If Plan participants fail to transfer the assets within the stated period of time, the Board will select a default fund into which participant assets will be placed.

The Board reserves the right to substitute any investment option with a more appropriate selection should it be deemed to deviate from any of the criteria outlined above. Alternative investments may also be deemed necessary due to changes in the demographics and needs of the participant population.