

Compensation Committee's Charter

Introduction

The Board of Directors shall designate annually a Compensation Committee comprised of three or more Directors, who may be removed by the Board of Directors in its discretion. The members of the Compensation Committee shall be "independent" as determined in accordance with the laws, rules and regulations of the Office of Thrift Supervision and the New York Stock Exchange ("NYSE"), shall be non-employee Directors, and shall be outside Directors, and shall comply with all other applicable laws, rules, regulations and requirements.

The Compensation Committee shall report regularly to the Board of Directors.

The Board of Directors shall elect a Chairman of the Compensation Committee annually.

Responsibility

The responsibility of the Compensation Committee is to

- Discharge the Board of Director's responsibilities relating to compensation of the Company's directors and executives, to include recommendations to the Board with respect to employment, severance, and other employment-related agreements and arrangements for officers and senior employees of the Company, and
- Prepare an annual report on Board and executive compensation for inclusion in the Company's Annual Report / proxy statement in accordance with applicable laws, rules and regulations.

Meetings

The Compensation Committee shall meet as often as it deems necessary or appropriate to carry out its responsibilities and may, in its sole discretion, form and delegate authority to subcommittees (comprised only of Compensation Committee members) in furtherance of such responsibilities.

The Chairman of the Compensation Committee shall call meetings of the Compensation Committee. All such meetings shall be held pursuant to the Articles of Association of the Company with regard to notice and waiver thereof, and written minutes of each such meeting shall be duly filed in the Company's records. The Company Secretary shall be the Secretary of the Committee.

Powers and Responsibilities

The Compensation Committee shall:

- Review, at least annually, the Company's compensation strategy to ensure that (a) executives are rewarded in a manner consistent with such strategy, internal equity

considerations, competitive practices, applicable legal and regulatory requirements and their contributions to Company growth, financial and operating performance, and (b) the executive compensation strategy supports the Company's objectives and shareholder interests.

- Review and approve corporate goals and objectives relevant to compensation, evaluate the performance of the Company's executives, including the Chief Executive Officer (the "CEO"), in light of these goals and objectives, set the annual compensation of the CEO and other executives based on this evaluation and other factors the Compensation Committee deems to be relevant, including without limitation competitive market practices and relative Total Shareholder Return. The Compensation Committee shall also review and approve the terms on which any such compensation may be deferred.
- Prepare a report on Board member and executive compensation for inclusion in the Company's Annual Report / proxy statement, in accordance with applicable laws, rules and regulations.
- Make recommendations to the Board of Directors with respect to the amount and manner of payment of cash compensation for non-employee members of the Board of Directors, the terms and awards of any stock-based compensation or other programs for such members of the Board of Directors and the terms on which any such compensation may be deferred.
- Review and make recommendations to the Board of Directors with respect to the approval, amendment and termination of the Company's incentive compensation plans and equity-based plans subject, where required, to shareholder approval, and administer such plans.
- Approve grants of stock or stock options to individuals eligible for such grants.
- Review and monitor any executive retirement plans of the Company.

Additional Powers and Responsibilities

The Compensation Committee shall have the authority to engage and obtain advice and assistance from advisors, including independent or outside legal counsel and shall have sole authority to retain and/or terminate a compensation-consulting firm. The Compensation Committee shall have the sole authority to approve the fees and other retention terms of any such engagement, as it determines is necessary or appropriate to carry out its duties. The Company in accordance with its normal business practices should pay fees and costs of such advisors promptly.

The Compensation Committee shall, on an annual basis, review and reassess the adequacy of this Charter and conduct an evaluation of the Compensation Committee's own performance during such past year.