
Related Party Transaction Policy

POLICY STATEMENT

The Related Party Transaction Policy establishes procedures for compliance with Item 404 of Regulation S-K (SEC Rule) related to disclosure and approval of related party transactions that are material or not in the ordinary course of business.

POLICY

1. As used herein, the term “**Related Party**” shall mean:
 - a. Any person who is or was an executive officer, director or nominee for election as a director since the beginning of the last fiscal year; or
 - b. Any person or group of persons that beneficially owns more than 5% of the Company’s voting securities; or
 - c. Any family member of any of the foregoing, which shall include any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and anyone, other than an employee or tenant, residing in such person’s home; or
 - d. Any firm, corporation or other entity in which any of the foregoing are employed or have a material interest within the meaning of Item 404 of Regulation S-K (12 CFR 229.10 *et seq.*).

2. The General Counsel of the Company shall annually provide a questionnaire to all directors and executive officers requesting information on Related Parties. It is the obligation of directors and executive officers to complete or update the form upon request. The General Counsel shall develop a master list of all Related Parties from the information on the questionnaires and provide it to the Controller of the Company.

3. The Controller of the Company shall:
 - a. Maintain the list in the records of the Company;
 - b. Distribute the list to the appropriate officers and employees of the Company so that transactions with Related Parties may be identified;
 - c. Compare the list against payments made by the Company on a quarterly basis; and
 - d. Report the results of the comparison to the General Counsel.

 4. The General Counsel or other designated member of the Company's legal staff shall:
 - a. Review all reported or proposed transactions and the results of the quarterly comparison for a determination as to whether any transaction is material and falls within this Policy;
 - b. Refer any questions of materiality to the Disclosure Committee with an opinion if appropriate;
 - c. Refer any material transactions or proposed transactions to the Board of Directors or Audit and Risk Committee for approval where appropriate; and
 - d. Where appropriate, provide for the disclosure of any material Related Party transaction in the Company's Proxy Statement.

 5. The following shall be considered, but not necessarily controlling, in any determination of materiality:
 - a. Whether the amount involved in any transaction or series of transactions is greater than \$120,000;
 - b. Whether the transaction falls within an exemption provided by Item 404(a) of Regulation S-K;
 - c. Whether the transaction is within the normal course of business for the Company or its subsidiaries on terms and conditions that are no less favorable to the Company than similar transactions with unrelated persons;
 - d. Whether, based on principles of corporate transparency, the transaction would be material to investors; and
 - e. Whether the transaction falls within any provision of the Company's Code of Ethics.

 6. The following transactions are exempt from any determination as a Related Party Transaction and shall be deemed pre-approved:
 - a. Compensation paid to a person for service as a director or executive officer;
 - b. Transactions with a Related Party for trust, funds depository or similar payment services with fees based on those for the same or similar transactions with non-related persons;
-

- c. Transactions with Related Parties that are the result of a competitive bidding process or involving the rendering of services as a common carrier, or public utility at rates or charges fixed in conformity with law or governmental authority;
 - d. Any transaction in which the Related Party's interest arises solely from the ownership of the Company's equity securities and all holders of the Company's equity securities receive the same benefit on a pro rata basis, such as dividends; and
 - e. Transactions available to employees in general.
 7. The Board of Directors or Audit and Risk Committee shall review the material facts of any Related Party Transaction submitted for approval. If advance approval is not feasible, then the Board of Directors or Audit and Risk Committee shall consider the Related Party Transaction at its next regularly scheduled meeting for ratification, or the transaction, if legally possible, must be rescinded. In making its determination to approve or ratify, the Board of Directors or Audit and Risk Committee shall consider:
 - a. The extent of the Related Party's interest;
 - b. The availability of other sources of comparable products or services;
 - c. Whether the terms of the Related Party Transaction are no less favorable than terms generally available in non-related transactions under like circumstances;
 - d. The benefit to the Company; and
 - e. The aggregate value of the Related Party Transaction.
 8. No director of the Company may engage in any Board or Committee discussion or approval of any Related Party Transaction in which he or she is a Related Party; provided however, that such director must provide to the Board or Committee all material information reasonably requested concerning the Related Party Transaction.
-