

**KIRKLAND’S, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

Kirkland’s, Inc. (the “Company”) has developed, and the Board has adopted, the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in the exercise of its responsibilities and to serve best the interests of the Company and its shareholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Charter (as amended), bylaws (as amended), and other corporate governance documents. The Guidelines are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate in the best interests of the Company or as required by applicable laws and regulations.

**I. Role of the Board.**

The Board of Directors is the representative of the shareholders with a fiduciary obligation to see that the affairs of the Company are conducted in a manner coincident with the best interest of, and fulfilling our responsibility to our shareholders, customers, employees, franchisees and communities. As spelled out in the Position Description (Exhibit A), the Board’s role is to approve broad policies of the Company, its general direction and its overall priorities. The duties of the Board include:

- A. Reviewing and approving key financial objectives, corporate strategies and capital allocations;
- B. Approval of senior management structure, personnel, compensation and succession plans;
- C. Monitoring Chief Executive Officer and senior management performance and recommending improvements;
- D. Providing management with additional expertise and perspective based on the individual experience of the directors; and
- E. Assuring continuity of Board membership.

## II. Composition of the Board.

The Board normally shall consist of not less than 7 nor more than 11 Directors. No more than two of them may be employees of the Company (“management directors”).

### A. Management Directors.

The management director will consist of the Chief Executive Officer. Others who may serve as management directors are senior executives selected from the major operating businesses of the Company. The General Counsel will not serve on the Board, but will be expected to attend Board meetings in an advisory capacity. Without the express approval of the Board, no management director may serve on the board of another non-affiliated public or for-profit corporation.

### B. Non-Management Directors.

Non-management directors will be chosen based on perspective, experience, knowledge, and independence of judgment, enabling them to contribute most effectively to the functioning of the Board and the meeting of its responsibilities.

They will be expected to become familiar with the condition and operations of the Company, and to serve on at least one committee of the Board. There should be a predominance of business backgrounds, balanced by qualified individuals who can bring additional sets of experiences and perspectives to the Board. Regional balance is desirable, and a high degree of interest and involvement are prime requisites. Directors will be selected without regard to race, religion, sex or national origin.

### C. Independence of the Board.

The Board will be comprised of a majority of directors who qualify as independent directors (the “Independent Directors”) under the listing standards of Nasdaq and applicable laws. The Board will review annually the relationships that each director has with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company) will be considered Independent Directors, subject to additional qualifications prescribed under the listing standards of Nasdaq and other applicable regulations. The Company will disclose these determinations with respect to independence in its annual filings. It is also the Board’s policy that no directors shall serve simultaneously on the board of directors of a material direct competitor of the Company, as defined from time to time by the Board or the Company.

D. Retirement; Change in Position.

Non-Management Directors who will attain the age of 70 prior to the next annual meeting of shareholders shall submit a letter of resignation from the Board, subject to Board acceptance, to be effective as of the date of the next annual meeting of shareholders. To allow the Governance and Nominating Committee and Board ample time to consider the matter, this letter of resignation should be submitted by the Non-Management Director at or prior to the first meeting of the Governance and Nominating Committee following the immediately preceding annual meeting of shareholders. The Governance and Nominating Committee shall make a recommendation to the Board as to whether to accept or reject the director's resignation, focusing on whether the director's continued service contributes to the right mix of tenured and newer directors. If the Governance and Nominating Committee recommends that the Board not accept the resignation, the Governance and Nominating Committee shall set forth its rationale. If the Board accepts the Governance and Nominating Committee's recommendation to reject the director's resignation, the Governance and Nominating Committee should again consider the issue of the director's continued service in determining whether to nominate the director to stand for re-election at the next annual meeting of shareholders.

Directors shall advise the Governance and Nominating Committee of any change in their employment, occupation or professional status (including retirement), or any material change in or the establishment of other significant business associations or relationships that may result in significant time commitments or changes in the director's relationship with the Company. Simultaneously, such director also shall submit an offer letter of resignation, subject to Board acceptance. The Governance and Nominating Committee shall review the continued appropriateness of the affected director remaining on the Board or committee, as the case may be, under the changed circumstances and provide its recommendation to the Board.

E. Professionals and Consultants.

To maintain the independence of the Board, professionals and consultants who have a significant ongoing fee arrangement with the Company normally will not be selected to serve as directors. However, it not the intention of this policy to preclude any firm or organization from receiving impartial consideration as a supplier of goods or services to the Company

III. Board Committees.

The committees of the Board will be the Executive Committee, the Audit Committee, the Compensation Committee, and the Governance and Nominating Committee.

- A. The Executive Committee will consist of the Chairman of the Board, the Chief Executive Officer, and up to three (3) non-management directors. While it is preferable that action on the major matters be taken by the Board itself, the role of the Executive committee is to act on behalf of the Board on matters requiring action between Board meetings. Certain limits on that authority are set forth in the Position Description but these limits can be superceded by the explicit delegated authority of the Board.
- B. The Audit Committee, the Compensation Committee, and the Governance and Nominating Committee will each have at least three members, and each committee member must qualify as an Independent Director. The duties of these committees are set forth in the attached Position Descriptions. Annually, the Board will appoint the chairs and members of these committees after receiving the recommendations of the Governance and Nominating Committee. Consideration is given to rotating committee memberships from time to time. In making such recommendations, the Governance and Nominating Committee will consider the special independence and other requirements that must be satisfied under applicable Nasdaq rules and SEC regulations, including, without limitation, the appointment to the Audit Committee of Independent Directors who have the requisite financial literacy, at least one of whom can qualify as an “audit committee financial expert” as defined under applicable SEC rules.
- C. The Board may also delegate certain of its authority within well defined limits to committees or internal Boards consisting of management personnel, some of whom may not be management directors. These committee or internal boards may derive delegated authority to review results of operations, approval capital appropriations within pre-determined limits set by the Board, establish operating policies, elect group and division officers, review and approve human resources benefits and plans, and review proposals for recommendations to the Board.
- D. The chair of each committee, in consultation with the committee members and senior management, will determine the frequency and length of the committee meetings consistent with any requirements set forth in the respective committee’s charter. The chair of each committee, in consultation with management, will determine the agendas for the committee meetings. All committee agendas will be available to all Board members, and all Board members will have access to the minutes of all committee meetings and materials distributed to committee members. The chair of each committee will report regularly to the full Board on the meetings and activities of his or her committee.

#### IV. Board Leadership Structure; Role of the Chairman.

The Board annually elects a Chair after taking into account the recommendation of the Governance and Nominating Committee made following its annual review of the Company’s Board leadership structure. The Chair may or may not be the Chief Executive Officer. If the Chief Executive Officer is elected as the Chair of the Board, the Independent Directors also shall

elect a lead Independent Director (“Lead Director”) to serve as the focal point for communicating with the Chief Executive Officer, facilitating information flow and communications among Non-management Directors, and coordinating feedback to the Chief Executive Officer on behalf of the Non-management Directors regarding business issues and Board management. The Chair of the Board shall preside at all meetings of the shareholders and of the Board as a whole and shall perform such other duties, and exercise such powers, as from time to time may be prescribed in the Company’s Bylaws or by the Board. The Board shall consider the rotation of the Lead Director, if any, at such intervals as the Board determines, based on the recommendations of the Governance and Nominating Committee.

It is the responsibility of the Chairman to facilitate constructive interaction between the Board and management. The Chairman should be fully aware of the condition of the Company and the concerns and recommendations of both the directors and management. The Chairman should provide an opportunity for full and open participation by each director at Board meetings. The Chairman will recommend a schedule of meetings each year. The Chairman will provide a written agenda in advance of the Board and Executive Committee meetings, together with full information on major proposals. Members of the Board will have full access to the Chairman for purposes of recommending agenda items for the full Board or its committees.

V. Compensation and Benefits.

Non-management directors will receive an annual retainer, as well as a fee for each board meeting attended in person. Non-management directors will receive an annual retainer for service on the Audit, Compensation and Governance and Nominating Committees. The Chairman of each committee will receive an additional retainer. No fees shall be paid for attendance at regular or special committee meetings. The fees are set forth on Exhibit B. The fee schedule will be reviewed at least every three years by the Compensation Committee, which will recommend to the Board any changes deemed advisable. Directors will be reimbursed for travel expenses in connection with attending meetings.

VI. Indemnification.

Each director is entitled to indemnification to the extent provided under the Company’s Charter, Bylaws and under any agreement between the director and the Company, and to the protection afforded by the Company’s insurance policy covering directors’ and officers’ liability.

VII. Schedule of Meetings; Board Expectations.

The Board shall meet at least four times a year. Each year, the Chairman shall recommend to the Governance and Nominating Committee a schedule of Board and Committee meetings for the following year. Special meetings of the Board may be called in exceptional situations but every effort will be made to avoid meetings called on less than 14 days notice. Board meetings will normally be scheduled at the Company headquarters, but at least one meeting per year may be scheduled elsewhere. It is the policy of the Board that an agenda describing the nature of the business to be conducted at a meeting and all information and data that is important to the Board’s and its Committees’ understanding of the business to be

conducted at a meeting be distributed to the Board at least two days before the Board or the committee meets. Each director is expected to be familiar with the Company's businesses and public disclosures, to review in advance of Board meetings all related materials distributed to the Board and to attend and participate in meetings of the Board and meetings of any committee on which such director is a member.

VIII. Executive Sessions of Non-Management Directors; Communication with the Board.

It is the policy of the Board for its non-management directors to meet in executive session, without the presence of management directors or executive officers of the Company (except to the extent that the non-management directors request the presence of any executive officers) as a normal part of the agenda of regular meetings. The Chairman of the Board will preside at these meetings. If any non-management directors are not Independent Directors, the Independent Directors will meet in at least one separate executive session per year. Interested parties may communicate their concerns to the non-management directors by sending an email to the Company's Chairman at [boardofdirectors@kirklands.com](mailto:boardofdirectors@kirklands.com). Alternatively, shareholders who desire to communicate with the Board may do so in writing directed to the Company's Secretary. The Secretary will consider the nature of the communication and determine whether it is appropriate to forward the communication to the Governance and Nominating Committee or the Audit Committee, which committee will take such action as it deems appropriate. Communications relating to ordinary business operations, pertaining to non-executive officer personnel issues, or seeking to do business with the Company will be forwarded to the proper business unit within the Company.

IX. Board Access to Senior Management; Interaction with Third Parties.

Board members shall have complete access to management and, as necessary and appropriate, to the Company's outside advisors. Board members shall coordinate such access through the Chief Executive Officer, and Board members will use judgment to assure that this access is not distracting to the business operation of the Company. The Board encourages the Chief Executive Officer to bring members of management from time to time into Board meetings to (i) provide management insight into items being discussed by the Board which involve the manager; (ii) make presentations to the Board on matters which involve the manager; and (iii) bring managers with significant potential into contact with the Board. Attendance of such non-directors at Board meetings is at the discretion of the Board.

The Board believes that management generally should speak for the Company. It is suggested that each director shall refer all inquiries from institutional investors, the press or customers to management. If comments from the Board are appropriate, they should, in most circumstances come from the Chairman of the Board or the Chief Executive Officer.

X. Board Orientation and Continuing Education.

The Company shall provide new directors with a director orientation program to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of business conduct and ethics, corporate governance guidelines, principal officers, internal auditors and independent auditors. Each director is expected to participate in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a director.

XI. Changes in Board Policy.

Changes in this policy may be made only by the Board upon the recommendation of the Governance and Nominating Committee.

XII. Performance of the Board and Committees.

The Board will conduct a self-evaluation of the performance of the Board as a whole at least annually. This evaluation should specifically review areas in which the Board and/or management believes a better contribution could be made. The purpose of this assessment is to increase the effectiveness of the Board as a whole, not to focus on individual Board members. In addition, each committee will conduct an annual evaluation of its performance and effectiveness. The chair of each committee will report to the Board regarding the results of his or her committee's self-assessment and will report to the Governance and Nominating Committee regarding any recommended changes to his or her committee's charter.

XIII. Chief Executive Officer Evaluation and Management Succession.

The Compensation Committee will conduct an annual review of the Chief Executive Officer's performance. The Compensation Committee will consider, among other things, the goals set for the Chief Executive Officer and their achievement. The Board of Directors will review the Compensation Committee's report in order to ensure that the Chief Executive Officer is providing the best leadership for the Company in the long- and short-term.

The entire Board will consider and evaluate potential successors to the Chief Executive Officer. The Chief Executive Officer should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

XIV. Majority Voting.

The Company's Charter provides that, except in connection with any contested election (as defined in the Charter), any nominee for director shall be elected to the Board of Directors if the votes cast for such nominee's election exceed the votes cast against such nominee's election at any meeting for the election of directors at which a quorum is present (with abstentions and broker non-votes not counted as votes cast either for or against such election). Each director

shall agree, by serving as a director or by accepting nomination for election as a director, that if while serving as a director such director is a nominee for election as a director and fails to receive the requisite vote in connection with such election as set forth above, he or she shall tender his or her resignation as a director for consideration by the Governance and Nominating Committee and the Board in accordance with the procedures set forth below.

If, after the results of a director election (other than a Contested Election) have been certified, it is determined that any incumbent director has failed to receive the requisite vote in accordance with the first paragraph of this Section XIV and the Company's Charter, the members of the Governance and Nominating Committee will evaluate the circumstances of the failed election and will make a recommendation regarding the director's resignation to the full Board. The Governance and Nominating Committee will evaluate the resignation in light of the best interests of the Company and its shareholders in determining whether to recommend accepting or rejecting the tendered resignation, or whether other action should be taken. The Governance and Nominating Committee and Board may consider any factors they deem relevant, including, without limitation, the director's qualifications, the director's past and expected future contributions to the Company, the overall composition of the Board, and whether accepting the tendered resignation would cause the Company to be in violation of any applicable rule or regulation (including Nasdaq listing requirements and federal securities laws), or whether the director was the target of a "vote no" campaign on an illegitimate basis or on the basis of misinformation.

The Board will then act upon the resignation, taking into account the recommendation of the Governance and Nominating Committee, and will publicly disclose (by a press release, a filing with the Securities and Exchange Commission or other broadly disseminated means of communication) its decision regarding the tendered resignation and the rationale behind the decision within 90 days of the certification of the election results. If a resignation offer of an incumbent director is accepted or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board of Directors may fill the resulting vacancy or decrease the size of the Board of Directors in accordance with the Company's Charter and Bylaws. If a resignation offer of an incumbent director is not accepted, then the director will continue to serve until his or her successor is duly elected, or any earlier resignation, removal or death.

Any director who fails to receive the requisite vote in accordance with the first paragraph of this Section XIV and the Company's Charter will not participate in any of the proceedings of the Governance and Nominating Committee or the Board with respect to the subject of his or her resignation; provided, however, that, notwithstanding anything contained herein to the contrary, if each member of the Governance and Nominating Committee fails to receive a sufficient vote for re-election, then the Independent Directors who did receive a sufficient vote shall appoint a committee to consider the resignation offers and recommend to the Board of Directors whether to accept them. In addition, if the only directors who receive a sufficient vote for re-election constitute three or fewer directors, then all directors may participate in the determination of the Board regarding whether to accept the resignation offers.

**Adopted effective as of December 7, 2016**

## **EXHIBIT A**

### **POSITION DESCRIPTION BOARD OF DIRECTORS**

#### **Function**

As the representative of shareholders, the Board is responsible for overseeing management of the Company in the realization of the Company's opportunities and the fulfillment of its obligations to its shareholders, customers, employees, and the communities in which it operates.

#### **Duties**

##### **1. Planning**

Approve a corporate vision and strategy and review management's performance in achieving it.

Annually assess the changing environment and approve the Company's strategy in relation to it.

Annually review and approve operating plans for the coming year.

Annually review and approve the Company's capital allocations.

Annually review and approve the Company's financial standards and plans.

Annually review and approve a long-range plan.

Approve other major policies guiding the Company.

##### **2. Organization**

Elect the officers of the Company (except that the Compensation Committee is authorized to elect all officers of the Company other than the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, and the Chief Financial Officer) and appraise, advise, stimulate and, if deemed necessary or desirable, change top management.

Annually appoint a slate of directors for approval of the shareholders. Between annual meetings, elect new directors to fill vacancies on the Board or add new Board members.

Assure that management succession is properly being provided.

Assure that the status of organizational strength and manpower planning is equal to the requirements of the long-range goals.

Approve appropriate compensation and benefit policies and practices for the management directors of the Company.

Determine the eligibility for and appoint Board committees.

### 3. Operations

Review the results achieved by management as compared with corporate strategy, annual and long-range plans, and performance of competition. Provide candid and constructive advice, comments and criticism.

Approve major actions of the Company, such as:

- Capital expenditure on all projects over authorized limits.
- Acquisitions, mergers, divestitures and new strategies
- Declaration of dividends.

Discharge and delegate the responsibilities of the Board under pension, savings and stock plans and under other employee benefit plans requiring its review.

### 4. Audit and Risk Management

Assure that the Board and its committees are adequately and currently informed through reports and other methods of the condition of the Company and its operations.

Assure that published reports properly reflect operating results and conditions

Ascertain that management has established appropriate policies to define and identify conflicts of interest with, and prohibited transactions by, employees throughout the Company, and is diligently administering and enforcing those policies.

Select outside auditors subject to approval by shareholders and review their performance periodically.

Oversee the Company's strategic, legal, regulatory and reputational risks, including management's identification and assessment of major risks facing the Company and assisting in developing mitigation strategies.

Review compliance with Code of Conduct and with these Corporate Governance Guidelines.

### 5. Legal

Review and evaluate the General Counsel's report on the Company's compliance with applicable laws, administrative rules and regulations, and the status, performance, and direction of the Company's legal policies.

## EXECUTIVE COMMITTEE

### Function

- A. To act on behalf of the Board between Board meetings as required.
- B. As appropriate from time to time, preliminarily review strategies, major capital expenditures, acquisitions, mergers and divestitures, and the execution against major strategic initiatives prior to the presentation of the same to the full Board.
- C. Review and approve capital expenditures between \$10 million and \$50 million and review for recommendation to the Board expenditures in excess of \$50 million.

### Limits on Authority

1. Action taken by the Executive Committee is to be reported to the Board of Directors at the first meeting of the Board following such action.
2. Without specific delegated authority from the Board, the Executive Committee will not:
  - Declare dividends except current quarterly dividends not in excess of those last declared by the Board, or
  - Increase or decrease the number of directors or appoint new directors.
3. Unless within an overall plan previously approved by the Board or by specific delegated authority of the Board, any actions taken by the Executive Committee to:
  - Purchase, sell, pledge, encumber, or otherwise acquire or dispose of assets with a value totaling over \$50,000,000 in one or more related transactions, or
  - Incur or guarantee indebtedness totaling over \$50,000,000 in one or more related transactions,

are subject to revision or rescission by the Board at the first meeting of the Board following such action.

## AUDIT COMMITTEE

### Function

Acting as an arm of the Board of Directors, the functions of the Audit Committee are to:

1. Periodically review, update and measure performance under the Audit Committee Charter approved by the Board. The Charter, as amended from time to time, shall be incorporated by reference into these Corporate Governance Guidelines.
2. Satisfy itself that the outside and inside auditing and control systems and procedures are sufficient to protect the shareholders' interests.
3. Serve as an informed voice on the Board of Directors in evaluating and supporting the financial and accounting groups of the Company.
4. Review the adequacy of the Company's financial and accounting policies and disclosures and approve changes therein.
5. Be assured that the financial reports published or presented to the Board properly reflect the financial condition of the business.
6. Review and evaluate policies and performance for compliance with applicable laws and regulations and the highest standards of business conduct.
7. Review the independence and performance of the Company's internal and external auditors.
8. Review and approve the adequacy of insurance coverage and loss prevention efforts.

### Duties

1. As related to the Company's independent public accountants:

Appoint the independent public accountants. Approve the designated managing partner of the independent public accountants assigned to the annual audit.

Approve the overall scope of their audit.

Review the results of the audit program with emphasis on the following:

- Fairness of presentation of financial data.
- The public accountants' opinion of the Company's internal controls.
- The public accountants' opinion as to the qualifications of financial and control personnel.

Review exceptions pointed out in the public accountants' management letter and the programs to rectify them.

Review audit fees and the public accountants' fees for non-audit services, including the possible effect of each such service on the independence of the public accountants, within all applicable legal standards.

Meet periodically with the independent public accountants without management present.

2. As related to the internal audits:

Approve overall scope of the internal audit program.

Review the internal auditor's annual and interim reports to the Committee.

Review internal controls; including information system controls.

Meet periodically with the internal auditor(s) without management present.

3. Other duties:

Appraise Company policies and procedures to prevent unauthorized use of Company funds, property, authorization.

Review status of filed tax returns and adequacy of tax reserves.

Meet with the financial and control officers of the Company or any other persons it deems necessary or appropriate in discharging its duties. The Committee shall have direct access to all such persons, including the internal auditors.

Review any questionable payments or transactions and any significant conflicts or interest that may arise.

Review changes in accounting methods and policies.

With the assistance of management and the independent public accountants, review opinions and rules of the Financial Accounting Standards Board and the Securities and Exchange Commission that affect the Company's published reports.

Review scope of corporate insurance and related policies.

Annually review the financial status of the retirement, saving and benefits plans of the Company.

Report findings to the full Board of Directors.

## COMPENSATION COMMITTEE

### Function

The function of the Compensation Committee is: (1) to review and approve the compensation programs of the Company that benefit executive officers, including employment and severance agreements, incentive programs, benefits and retirement programs; (2) to review, and advise the Board of Directors on, the Chief Executive Officer's objectives and performance and the Company's management succession plans; and (3) to review with independent consultants from time to time the competitiveness and appropriate level of the Company's compensation and benefit practices.

### Duties

1. Review and approve as required compensation policies and programs of the Company and make recommendations to the Board as required.
2. Annually approve all compensation, salary increases, bonuses and benefits for executive officers (Chief Executive Officer, President, Chief Operating Officer and Chief Financial Officer) under the compensation programs of the Company.
3. Annually review the performance of the Chief Executive Officer.
4. Approve stock option grants, restricted stock unit grants, and other incentives for executive officers under the Company's various incentive plans and review and approve other matters as required by the plans.
5. Periodically review fees and benefits of non-management directors and make recommendations as required to the Board, such review to take place at least every three years.

## GOVERNANCE AND NOMINATING COMMITTEE

### Function

The function of the Governance and Nominating Committee is (i) to assist the Board by identifying individuals qualified to become Board members; (ii) to assist the Board in filling vacancies on the Board; (iii) to recommend to the Board director nominees for each Board committee; (iv) to develop and recommend to the Board a set of effective Corporate Governance Guidelines and a Code of Conduct; and (iv) to monitor, oversee and review compliance with these Corporate Governance Guidelines and the Code of Conduct.

### Duties

1. Annually recommend a slate of directors for nomination by the Board to the shareholders.
2. Recommend to the Board new directors for election by the Board to fill vacancies or as additions to the Board.
3. Review periodically the performance of the Board (including its composition, and organization) and make appropriate recommendations for improving performance. Review the performance of directors proposing to stand for re-election. Make recommendations to the Board relative to any resignations tendered by directors due to change of duties.
4. Assist in the recruiting of directors, including recruiting and evaluation of executives recruited or promoted to positions eligible for Board membership.
5. Make recommendations to the Board regarding this policy on the composition and function of the Board.
6. Elect corporate officers (other than the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, and the Chief Financial Officer) and nominate, for election by the Board, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, if any, and the Chief Financial Officer and members of Board-appointed committees, including proposed chairmen, and approve plan trustees.
7. Generally advise the Board on Corporate Governance matters.

## EXHIBIT B

### DIRECTORS' FEES

Annual Retainer to all Directors (payable quarterly)	\$30,000*
Annual Retainer to Board Chairman (payable quarterly)	\$30,000**
Board Meeting Attendance Fee	\$1,000***
Annual Restricted Unit Grant	4,000 RSUs

These fees do not apply to management directors. Restricted Stock Unit Grants are subject to one year vesting.

### COMMITTEE FEES

Annual Retainer for Audit Committee (payable quarterly)	\$10,000 (\$20,000 for Chair)
Annual Retainer for Compensation Committee (payable quarterly)	\$7,500 (\$15,000 for Chair)
Annual Retainer for Governance Committee (payable quarterly)	\$7,500 (\$15,000 for Chair)

#### Notes:

\*Effective February 1, 2017, the Annual Retainer to all Directors will increase to \$40,000

\*\*Effective February 1, 2017, the Annual Retainer to the Board Chairman will increase to \$40,000

\*\*\*Effective February 1, 2017, the Company will discontinue Board Meeting attendance fees