

**Section:** Compliance  
**Unit:** All Units

*Supersedes*  
No.:

**Subject:** Stock Ownership Guidelines and Insider Trading Policy

Date: July 27, 2005

---

### **Share Ownership**

The Company believes that the number of shares of the Company's stock owned by each employee is a personal decision; however, the Company expects each of the Executive Officers of the Company (i.e., those officers of the Company who are subject to the reporting provisions and the trading restrictions of Section 16 of the Securities Exchange Act of 1934, as amended), to hold a meaningful ownership stake in the Company. Each of the Executive Officers of the Company is required to directly own at least 1,000 shares of Company common stock at all times.

### **Prohibition Against Insider Trading**

It is a violation of Company Policy and federal law for any employee to trade in the Company's securities while he or she is aware of material, nonpublic information about the Company. It is also illegal and against Company Policy to communicate or "tip" material, nonpublic information to others so that they may trade in Company securities based on that information. This Policy applies to all securities issued by the Company, including its common stock and options to purchase common stock, and any other type of security that the Company may issue or that relate to the Company's securities, such as debt, preferred stock, warrants or other derivative securities.

### **Nonpublic Information**

Information is considered to be nonpublic until it has been effectively disclosed to the public and there has been time for the market as a whole to assimilate that information. Examples of effective disclosure include Company filings with the Securities and Exchange Commission (the "SEC"), press releases, meetings with members of the press and the public, and conference calls or webcasts that are open to the public. Generally, no transactions should take place until the next business day after the disclosure of material information.

### **Material Information**

Any information that a reasonable investor would consider important in deciding whether to buy, sell or hold the Company's securities is material. Examples of some types of information that can be material are:

- Financial performance, especially quarterly and year-end earnings and significant changes in financial performance, outlook or liquidity.
- Planned or potential mergers and acquisitions, joint ventures, or the divestiture of significant assets, subsidiaries or business units.
- Company projections.
- Significant planned or potential changes in the debt or capital structure.
- Stock splits, public or private securities offerings, or changes in Company dividend policies or amounts.
- The loss of a key customer or supplier.
- Planned changes in key management.
- Actual or threatened major litigation or the resolution of such litigation.
- Significant product developments.

### **Prohibited Transactions**

**Transactions in Company Securities.** When an employee knows material, nonpublic information about the Company, he or she may not:

- Trade in Company securities, i.e., purchase or sell Company securities or derivatives of Company securities (“trade”).
- Advise others to buy, hold or sell Company securities.
- Disclose the information to anyone else who might then trade (“tip”).
- Assist anyone in any of these activities.

Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency) are not an exception to the prohibition on insider trading.

**Transaction in the Securities of Other Companies.** Employees also may learn material, nonpublic information about other companies from time to time as a result of their jobs. Prohibitions against insider trading apply equally to transactions in those companies’ securities while the employee is in possession of their material, nonpublic information.

**Short Sales.** Short selling is the act of borrowing securities to sell with the expectation of the price dropping and the intent of buying the securities back at a lower price to replace the borrowed securities. Company employees, regardless of whether or not they are aware of material, nonpublic information about the Company, may not engage in short sales of the Company’s securities.

## **Special Situations**

### **Employee Benefit Plans.**

**Employee Stock Purchase Plans.** The trading prohibitions and restrictions set forth in this Policy do not apply to periodic contributions by the Company or by employees to employee benefit plans (e.g., the 2003 Employee Stock Purchase Plan) which are used to purchase Company securities pursuant to the employees’ advance instructions. Employees, however, may not alter their instructions regarding the purchase or sale of Company securities in such plans, or make discretionary transfers into or out of Company securities in such plans, while in the possession of material, nonpublic information.

**Stock Option Plans.** The trading prohibitions and restrictions of this Policy apply to the exercise of Company stock options only if the employee exercising his or her stock option receives cash in lieu of shares of Company stock at the time of such exercise. Employees who exercise their Company stock options and opt to receive only shares of Company stock are not subject to the trading prohibitions and restrictions of this Policy.

**Rule 10b5-1 Trading Plans.** Company Policy permits employees to trade in Company securities regardless of their awareness of inside information if the transaction is made pursuant to a pre-arranged trading plan that was entered into when the employee was not in possession of material, nonpublic information (a “Rule 10b5-1 Trading Plan”). Company Policy requires Rule 10b5-1 Trading Plans to (i) be written, (ii) specify the amount of, date(s) on, and price(s) at which the securities are to be traded or establish a formula for determining such items and (iii) receive prior approval from the Company’s CFO or General Counsel or another designated member by such individuals (each, a “Compliance Officer”). Rule 10b5-1 Trading Plans may not be adopted when the employee is in possession of material, nonpublic information about the Company. Furthermore, an employee may amend or replace his or her Rule 10b5-1 Trading Plan only during periods when trading is permitted in accordance with this Policy.

## **Additional Rules for Certain Company Employees**

### **Trading Windows for Employees with Access.**

**Trading Windows for Employees with Access.** Subject to being pre-cleared by a Compliance Officer, certain Company employees who, because of their position with the Company, have regular access to material, nonpublic information or certain Company employees who are subject to the reporting provisions and the trading restrictions of Section 16 of the Securities Exchange Act of 1934, as amended (collectively, “Employees with Access”) may trade in Company securities only during the period beginning on the second full trading day following the Company’s widespread public release of quarterly or year-end earnings, and ending at the close of trading on the thirtieth business day after such earnings are released (e.g., if the Company releases first quarter earnings on Tuesday, May 6th, Employees with Access will have a trading window that is open from Wednesday, May 8th, through June 8th).

A Compliance Officer may reject any trading request made by an Employee with Access at his or her sole and reasonable discretion.

In addition, the Company shall have the right to impose special black-out periods during which such persons will be prohibited from buying, selling or otherwise effecting transactions in any stock or other securities of the Company or derivative securities thereof, even though the trading window would otherwise be open. The Company would re-open the trading window at the beginning of the second trading day following the date of public disclosure of the information, or at such time as the information is no longer material.

**Hardship Cases.** A Compliance Officer may, on a case-by-case basis, authorize trading in Company securities by Employees with Access outside of the applicable trading windows due to financial hardship or other hardships, but only if: (i) the employee who wishes to trade has, at least two (2) days prior to the anticipated trade date, notified the Company in writing of the circumstances of the hardship and the amount and nature of the proposed trade(s) and (ii) the person trading is not in possession of material, nonpublic information concerning the Company and has certified that fact in writing to the Company.

***Applicability of this Policy to Employees' Family Members and Other Related Parties***

This Policy applies not only to Company employees but also to Company employees' spouses, children, parents, siblings, other relatives who live in their households and trusts and similar entities with respect to which employees are trustees or otherwise enjoy beneficial ownership (each, a "Related Party"). For example, (i) a Related Party of a Company employee may not purchase Company securities while the employee is in possession of material, nonpublic information, even if the employee does not actually "tip" the Related Party regarding such information, and (ii) a Related Party of an Employee with Access is subject to the preclearance and trading window restrictions set forth in this Policy.

**Applicability of this Policy to Former Employees**

This Policy's prohibitions against insider trading will continue to apply to transactions in Company securities by former employees and their Related Parties as follows: if you are aware of material non-public information when your employment relationship terminates, you will remain subject to the prohibitions against insider trading until that information has become public or is no longer material.

**Reporting Violations**

Any employee who becomes aware of a violation of this Policy should report such violation to his or her supervisor or a Compliance Officer.

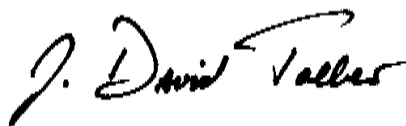
**Compliance Review**

Whenever an employee has any questions about a transaction or compliance with this Policy or seeks an exception from this Policy, he or she should consult with a Compliance Officer before the transaction takes place. Although their advice should not be considered investment advice, legal advice or a guarantee that no liability will arise, all decisions by Compliance Officers with respect to this Policy will be final.

**Penalties for Insider Trading**

An employee's failure to comply with this Policy may subject the employee to Company-imposed sanctions, including dismissal, regardless of whether or not the employee's failure to comply with this Policy results in a violation of law. In addition, Company employees who engage in insider trading (i) could be subject to criminal prosecution, including imprisonment, and civil actions, including disgorgement of profits, fines and damages, and (ii) may subject the Company and its managers to civil and criminal liability.

Approved:



---

J. David Tolbert  
Senior Vice President, Human Resources and  
Corporate Risk