

It is hereby RESOLVED that pursuant to Section 109 of the Delaware General Corporation Law, 8 Del. C. § 109, and Section 31 of the Corporation's By-laws, the Corporation's By-laws are hereby amended by adding a new Section 34 as follows:

**Section 34. Policies on Stockholder Rights Plans.**

- (a) "Policy on Rights Plans" refers in this Section to any policy or guideline established by the Board of Directors that as of the date of the preceding election of Directors was in effect and placed limits on the Board's ability to adopt, extend or implement a stockholder rights plan without stockholder ratification.
- (b) A "Policy-Abandoning Decision" refers in this Section to any decision by the Board to act inconsistently with the terms of the Policy on Rights Plans.
- (c) Any Policy-Abandoning Decision not ratified by the stockholders shall require the affirmative vote of all the members of the Board.
- (d) Nothing in this Section should be construed to permit or validate any Policy-Abandoning Decision that otherwise would be prohibited or invalid.
- (e) To the extent that amendment or repeal of this Section by the Board of Directors is permitted, a decision to repeal or amend this Section not ratified by the stockholders shall require the affirmative vote of all the members of the Board of Directors.

This By-law Amendment shall be effective immediately and automatically as of the date it is approved by the vote of stockholders in accordance with Section 31 of the Corporation's By-laws.

**SUPPORTING STATEMENT**

Statement of Professor Lucian Bebchuk: The Corporation adopted in September 2005 a policy on stockholder rights plans which requires, among other things, that a poison pill not approved in advance or subsequently ratified by the stockholders shall expire within one year. I view the limitations on use of poison pills established by the policy as desirable, and I believe that a Policy-Abandoning Decision made by the Board without stockholder ratification would raise significant concerns. I also believe that state law does not categorically prevent all Policy-Abandoning Decisions.

The proposed arrangement would prevent Policy-Abandoning Decisions not ratified by the stockholders for which there is opposition among the Directors. It would not impede, however, any Policy-Abandoning Decision that stockholders would ratify. Although the proposed By-law would apply to Policy-Abandoning Decisions, it would not endorse such decisions, explicitly specifying that it should not be construed to permit or validate any Policy-Abandoning Decisions that otherwise would be prohibited or invalid.

I urge you to vote "yes" to support the adoption of this proposal.