

# CATEGORICAL STANDARDS FOR DIRECTOR INDEPENDENCE



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The Board of Directors makes determinations whether individual Directors are “independent” for purposes of applicable SEC corporate governance rules and NYSE listing standards based on all relevant facts and circumstances. In addition, the Board applies the applicable “bright line” criteria set forth in NYSE listing standards, Section 303A.02(b).

In addition, the Board has adopted the following categorical standards to assist it in making determinations of independence and to permit it to make a general statement in its annual proxy statement that independent Directors meet such standards in lieu of disclosing particular aspects of immaterial relationships between individual Directors and the Company. The following relationships are considered immaterial and do not preclude a finding of “independence”:

1. The Director is affiliated with or employed by a company, partnership or other entity that receives payments from NCI for services in an amount which, in the current fiscal year, does not exceed the greater of (a) \$1 million or (b) two (2) percent of such other company’s consolidated gross revenues; provided, however, that solely for purposes of determining “audit committee independence,” a director may not accept, directly or indirectly, a consulting, advisory or other compensatory fee from NCI in any amount (other than Director’s and committee fees).
2. The Director is an employee, officer or director of a foundation, university or other non-profit organization to which NCI gives directly, or indirectly through the provision of services, less than \$250,000 during the year in question.
3. In addition, in any cases where payments are made by NCI “indirectly” to an immediate family member, as for example fees paid to a law firm in which such immediate family member is a partner, if such immediate family member disclaims and does not accept any share of such NCI payments, the Board will not consider that such payments preclude the Director from being considered “independent” for all purposes, including service on NCI’s Audit Committee.