

CAPITAL CITY BANK GROUP INC

Form SC 13G

February 14, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 13G

(Name of Issuer)  
Capital City Bank Group, Inc.

(Title of Class of Securities)  
Common Stock

(CUSIP Number)  
139674105

Rule 13d-1(b)

NAME OF REPORTING PERSON  
Private Capital Management

I.R.S. IDENTIFICATION NO.  
59-3654603

MEMBER OF A GROUP?  
(b) X

PLACE OF ORGANIZATION  
Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

|                          |         |
|--------------------------|---------|
| SOLE VOTING POWER        | 0       |
| SHARED VOTING POWER      | 700,217 |
| SOLE DISPOSITIVE POWER   | 0       |
| SHARED DISPOSITIVE POWER | 700,217 |

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
700,217

PERCENT OF CLASS REPRESENTED BY AGGREGATE AMOUNT BENEFICIALLY OWNED  
5.0%

TYPE OF REPORTING PERSON  
IA

NAME OF REPORTING PERSON  
Bruce S. Sherman

I.R.S. IDENTIFICATION NO.

MEMBER OF A GROUP?  
(b) X

CITIZENSHIP  
U.S. Citizen

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

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SOLE VOTING POWER 11,250  
SHARED VOTING POWER 700,217  
SOLE DISPOSITIVE POWER 11,250  
SHARED DISPOSITIVE POWER 700,217

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
711,467

AGGREGATE AMOUNT BENEFICIALLY OWNED EXCLUDES CERTAIN SHARES  
(yes)

PERCENT OF CLASS REPRESENTED BY AGGREGATE AMOUNT BENEFICIALLY  
OWNED  
5.0%

TYPE OF REPORTING PERSON  
IN

NAME OF REPORTING PERSON  
Gregg J. Powers

I.R.S. IDENTIFICATION NO.

MEMBER OF A GROUP?  
(b) X

CITIZENSHIP  
U.S. Citizen

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:  
SOLE VOTING POWER 0  
SHARED VOTING POWER 700,217  
SOLE DISPOSITIVE POWER 0  
SHARED DISPOSITIVE POWER 700,217

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON  
700,217

AGGREGATE AMOUNT BENEFICIALLY OWNED EXCLUDES CERTAIN SHARES  
(yes)

PERCENT OF CLASS REPRESENTED BY AGGREGATE AMOUNT BENEFICIALLY  
OWNED  
5.0%

ITEMS 1 - 10 OF GENERAL INSTRUCTIONS

Item 1.

(a)Name of Issuer: Capital City Bank Group, Inc.  
(b)Address of Issuer: 217 North Monroe Street, Tallahassee, FL 32301

Item 2.

(a)Name of Person Filing: See Exhibit 1  
(b)Address of Person Filing: 8889 Pelican Bay Blvd., Naples, FL 34108  
(c)Citizenship: See Exhibit 1  
(d)Title of Class of Securities: Common Stock  
(e)CUSIP Number: 139674105

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### Item 3.

The reporting person is filing as an Investment Adviser registered under section 203 of the Investment Advisers Act of 1940.

### Item 4. Ownership

- (a) Amount Beneficially Owned: See Exhibit 1
- (b) Percent of Class: See Exhibit 1
- (c) Number of Shares as to which such person has:
  - (i) sole power to vote or to direct the vote:  
See Exhibit 1
  - (ii) shared power to vote or to direct the vote:  
See Exhibit 1
  - (iii) sole power to dispose or to direct the disposition of:  
See Exhibit 1
  - (iv) shared power to dispose or to direct the disposition of:  
See Exhibit 1

### Item 5. Ownership of Five Percent or Less of Class:

N/A

### Item 6. Ownership of More than Five Percent on Behalf of Another Person: N/A

### Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company: N/A

### Item 8. Identification and Classification of Members of the Group: See Exhibit 1

### Item 9. Notice of Dissolution of Group: N/A

### Item 10. Certification:

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect.

#### SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: See Exhibit 2

Signature: See Exhibit 2

Name/Title: See Exhibit 2

Exhibit 1

### Item 2.

- (a) Name of Person Filing
  - 1) Private Capital Management, L.P.
  - 2) Bruce S. Sherman
  - 3) Gregg J. Powers

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(c)Citizenship

- 1) Delaware
- 2) U.S.
- 3) U.S.

Item 4.

(a) Amount Beneficially Owned

- 1) 700,217
- 2) 711,467
- 3) 700,217

(b) Percent of Class

- 1) 5.0%
- 2) 5.0%
- 3) 5.0%

(c) Number of shares as to which such person has:

(i) sole power to vote or to direct the vote

- 1) 0
- 2) 11,250
- 3) 0

(ii) shared power to vote or to direct the vote

- 1) 700,217
- 2) 700,217
- 3) 700,217

(iii) sole power to dispose or to direct the disposition of

- 1) 0
- 2) 11,250
- 3) 0

(iv) shared power to dispose or to direct the disposition of

- 1) 700,217
- 2) 700,217
- 3) 700,217

\* Bruce S. Sherman is CEO of Private Capital Management (PCM) and Gregg J. Powers is President of PCM. In these capacities, Messrs. Sherman and Powers exercise shared dispositive and shared voting power with respect to shares held by PCM's clients and managed by PCM. Messrs. Sherman and Powers disclaim beneficial ownership for the shares held by PCM's clients and disclaim the existence of a group.

Exhibit 2

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: February 14, 2005

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Bruce S. Sherman  
as CEO, PCM  
as, individual, as applicable

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Gregg J. Powers  
as President, PCM  
as, individual, as applicable

bottom">      **Maximum**              **Offering Price Proposed Maximum**      **Amount of**      **Amount to**  
**be per Aggregate Registration Title of Securities to be Registered Registered(1) Share(2) Offering**  
**Price(2) Fee**

JetBlue Airways Corporation 2002 Stock Incentive Plan Common Stock, \$0.01 par value (3)

32,143,186 shares \$5.12 \$164,573,112.32 \$9,183.18

JetBlue Airways Corporation Crewmember Stock Purchase Plan Common Stock, \$0.01 par value

15,954,739 shares \$5.12 \$81,688,263.68 \$4,558.21

48,097,925 shares      Aggregate Registration Fee \$13,741.39

(1) Pursuant to Rule 416(a) under the Securities Act of 1933, as amended (the Securities Act ), this Registration Statement shall also cover any additional shares of Common Stock attributable to these registered shares which become issuable under the JetBlue Airways Corporation 2002 Stock Incentive Plan and the JetBlue Airways Corporation Crewmember Stock Purchase Plan by reason of any stock dividend, stock split, recapitalization or other similar transaction effected without the Registrant s

receipt of  
consideration  
which results in  
an increase in  
the number of  
the outstanding  
shares of the  
Registrant's  
Common Stock.

- (2) Estimated solely  
for the purpose  
of calculating  
the amount of  
the registration  
fee pursuant to  
Rule 457(c) and  
457(h) under the  
Securities Act  
and is based  
upon the  
average of the  
high and low  
selling prices  
per share of the  
Registrant's  
Common Stock  
on August 19,  
2009, as  
reported by the  
Nasdaq Global  
Select Market.
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**STATEMENT PURSUANT TO GENERAL INSTRUCTION E  
TO FORM S-8**

This Registration Statement relates to the registration of additional securities under the JetBlue Airways Corporation 2002 Stock Incentive Plan, as amended and restated (the Incentive Plan ) and the JetBlue Airways Corporation Crewmember Stock Purchase Plan, as amended and restated (the Purchase Plan and, together with the Incentive Plan, the Plans ). In accordance with General Instruction E to Form S-8, the contents of the previous Registration Statements on Form S-8, Commission File No. 333-86444, filed by the Registrant on April 17, 2002, and Commission File No. 333-129238, filed by the Registrant on October 25, 2005, with the Securities and Exchange Commission (the Commission ) relating to the Plans are incorporated herein by reference and made part of this Registration Statement, except as amended hereby.

**Explanatory Statement**

The shares of common stock of the Registrant, par value \$0.01 per share ( Shares ), covered by this Registration Statement may be offered and sold under the Incentive Plan to officers, employees, directors, non-employee directors, consultants, advisors and independent contractors of the Registrant or any of its affiliates, and under the Purchase Plan to eligible employees of the Registrant. By the terms of the Incentive Plan, the number of Shares available for issuance under the Plan automatically increase on the first trading day of January each calendar year during the term of the Plan, beginning with calendar year 2003, by an amount equal to 4% of the total number of Shares outstanding on the last trading day in December of the immediately preceding calendar year. In no event may any such annual increase exceed 12,150,000 Shares. The Purchase Plan had a similar evergreen feature (by an amount equal to 3% of the total number of Shares outstanding on the last trading day in December of the immediately preceding calendar year) which feature was discontinued in 2008. This Registration Statement covers the registration

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of 32,143,186 Shares under the Incentive Plan and 15,954,739 Shares under the Purchase Plan, which may be issued from time to time.

**PART II**  
**INFORMATION REQUIRED IN THE REGISTRATION STATEMENT**

**Item 5. Interests of Named Experts and Counsel**

Not Applicable.

**Item 8. Exhibits**

Unless otherwise indicated below as being incorporated by reference to another filing of the Registrant with the Commission, each of the following exhibits is filed herewith.

| Exhibit No. | Name of Exhibit  |
|-------------|--|
| 4.1         | Amended and Restated Certificate of Incorporation of JetBlue Airways Corporation (incorporated by reference to Exhibit 3.5 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2008, filed on July 25, 2008). |
| 4.2         | Fifth Amended and Restated Bylaws of JetBlue Airways Corporation (incorporated by reference to Exhibit 3.6 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2008, filed on July 25, 2008).                 |
| 4.3         | JetBlue Airways Corporation Amended and Restated 2002 Stock Incentive Plan (incorporated by reference to Exhibit 10.21 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008, filed on February 13, 2009).   |
| 5.1*        | Opinion of Shearman & Sterling LLP.  |
| 23.1*       | Consent of Ernst & Young LLP.  |
| 23.2        | Consent of Shearman & Sterling LLP (included in Exhibit 5.1).  |
| 24.1        | Powers of Attorney (included on signature page)  |

\* Filed herewith

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on this 26th day of August, 2009.

**JETBLUE AIRWAYS CORPORATION**

By: /s/ James G. Hnat  
James G. Hnat  
Executive Vice President, Corporate  
Affairs,  
General Counsel and Corporate  
Secretary

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**Table of Contents****POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints James G. Hnat and Eileen McCarthy, and each of them, the lawful attorneys-in-fact and agents with full power and authority to do any and all acts and things and to execute any and all instruments which said attorneys and agents, and any one of them, determine may be necessary or advisable or required to enable said corporation to comply with the Securities Act of 1933, as amended, and any rules or regulations or requirements of the Securities and Exchange Commission in connection with this Registration Statement. Without limiting the generality of the foregoing and power and authority, the powers granted include the power and authority to sign the names of the undersigned officers and directors in the capacities indicated below to this Registration Statement, to any and all amendments, both pre-effective and post-effective, and supplements to this Registration Statement, and to any and all instruments or documents filed as part of or in conjunction with this Registration Statement or amendments or supplements thereof, and each of the undersigned hereby ratifies and confirms that all said attorneys and agents, or any of them, shall do or cause to be done by virtue hereof. This Power of Attorney may be signed in several counterparts.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

| <b>Name</b>                            | <b>Title</b>   | <b>Date</b>     |
|--|--|-----------------|
| /s/ David Barger<br>David Barger       | Chief Executive Officer and<br>Director<br>(principal executive officer)                     | August 26, 2009 |
| /s/ Edward Barnes<br>Edward Barnes     | Executive Vice President and<br>Chief<br>Financial Officer (principal<br>financial officer)  | August 26, 2009 |
| /s/ Donald Daniels<br>Donald Daniels   | Vice President, Controller and<br>Chief Accounting Officer<br>(principal accounting officer) | August 26, 2009 |
| /s/ Peter Boneparth<br>Peter Boneparth | Director   | August 26, 2009 |
| /s/ David Checketts<br>David Checketts | Director   | August 26, 2009 |
| /s/ Robert Clanin<br>Robert Clanin     | Director   | August 26, 2009 |
| /s/ Kim Clark<br>Kim Clark             | Director   | August 26, 2009 |

|                      |          |                 |
|----------------------|----------|-----------------|
| /s/ Christoph Franz  | Director | August 26, 2009 |
| Christoph Franz      |          |                 |
| /s/ Virginia Gambale | Director | August 26, 2009 |
| Virginia Gambale     |          |                 |
| /s/ Stephan Gemkow   | Director | August 26, 2009 |
| Stephan Gemkow       |          |                 |
| /s/ Joel Peterson    | Director | August 26, 2009 |
| Joel Peterson        |          |                 |
| /s/ Ann Rhoades      | Director | August 26, 2009 |
| Ann Rhoades          |          |                 |
| /s/ Frank Sica       | Director | August 26, 2009 |
| Frank Sica           |          |                 |

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| 24.1        | Powers of Attorney (included on signature pages).  |

\* Filed herewith

ALIGN="JUSTIFY"> Except as set forth above with respect to Messrs. Brown and Marshall, during the last five (5) years no director or officer of the Company has:

- a. had any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- b. been convicted in a criminal proceeding or subject to a pending criminal proceeding;
- c. been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
- d. been found by a court of competent jurisdiction in a civil action, the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated.

Any transactions between the Company and its officers, directors, principal shareholders, or other affiliates have been and will be on terms no less favorable to the Company than the Board of Directors believes could be obtained

from unaffiliated third parties on an arms-length basis and will be approved by a majority of the Company's independent, outside disinterested directors.

## **2. Meetings and Committees of the Board of Directors**

### **a. Meetings of the Board of Directors**

During the fiscal year ended June 30, 2004, \_\_\_ meetings of the Board of Directors were held, including regularly scheduled and special meetings. All meetings were held either in person or by telephone conference and were attended by 100% of the then serving directors. On September 2, 2004, Steven Jesson resigned as a Director. On September 13, 2004, Kevin Gorman, then acting as Chief Operating Officer of the Company, and Robert Weiss, were elected to the Board of Directors. Effective November 18, 2004, Mr. Gorman resigned as COO and on January 28, 2005, Mr. Gorman resigned from the Board of Directors. To fill the vacancy created by Mr. Gorman's resignation, on February 17, 2005, Steven Smith was elected to serve as Chief Operating Officer and as a member of the Board of Directors. Outside directors are also eligible to participate in the Company's 2002 Equity Incentive Plan, although as of the date of this proxy statement there have been no grants of option to those directors under the Plan and there exist no commitments to grant those persons options under the Plan.

### **b. Committees**

The board appoints committees to help carry out its duties. In particular, board committee's work on key issues in greater detail than would be possible at full board meetings. Each committee reviews the results of its meetings with the full board.

During the fiscal year ended June 30, 2004, the Board did have an Audit Committee and, Compensation Committee, but did not have a standing Nomination Committee or any other standing committees. The Board of Directors as a whole served the functions of a nomination committee.

#### Audit Committee

The audit committee is currently composed of the following directors:

Robert Weiss  
Stephen Rogers

The Board of Directors has determined that Messrs. Weiss and Rogers are "independent" within the meaning of the National Association of Securities Dealers, Inc.'s listing standards. For this purpose, an audit committee member is deemed to be independent if he does not possess any vested interests related to those of management and does not have any financial, family or other material personal ties to management.

The Board of Directors has determined that none of the members of the audit committee qualify as an "audit committee financial expert" within the meaning of Item 401(e)(2) of Regulation SB. The audit committee lacks an audit committee financial expert due principally to its historical lack of funds necessary to compensate such a person.

The audit committee met on one occasion during fiscal 2004, which was attended by 100% of its members. The committee is responsible for accounting and internal control matters. The audit committee:

- reviews with management, the internal auditors and the independent auditors policies and procedures with respect to internal controls;

- reviews significant accounting matters;
- approves the audited financial statements prior to public distribution;
- approves any significant changes in accounting principles or financial reporting practices;
- reviews independent auditor services; and
- recommends to the board of directors the firm of independent auditors to audit our consolidated financial statements.

In addition to its regular activities, the committee is available to meet on all of the independent accountants, controller or internal auditor whenever a special situation arises.

#### Report of Audit Committee

The members of the Audit Committee submit the following report pursuant to Item 306 or Regulation SB:

1. The Audit Committee has reviewed and discussed the audited financial statements with management;
2. The Audit Committee has discussed with the independent auditors the matters required to be discussed by SAS 61, as may be modified or supplemented;
3. The Audit Committee has received the written disclosures and letter from the independent accountants required by Independence Standards Board Standard No. 1 (Independence Standard Board Standard No. 1, Independence Discussions with Audit Committees) as may be modified or supplemented, and has discussed with the independent accountant the independent accountant's independence; and
4. Based on the review and discussions referred to in paragraphs (a)(1) through (a)(3) of this Item, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the company's Annual Report on Form 10-KSB for the last fiscal year for filing with the Commission.

Respectfully submitted,  
Robert Weiss  
Stephen Rogers

The Audit Committee of the Board of Directors has adopted a charter which is attached to this Proxy Statement as Exhibit A.

#### Compensation Advisory Committee

The compensation advisory committee is currently composed of the following directors:

Alfredo Chang  
Stephen Rogers  
Gary Brown (ex officio)

Our chief executive officer, Gary Brown, serves as an ex officio member of the compensation advisory committee. The compensation advisory committee met on four occasions during fiscal 2004, which were attended by 100% of its members. The compensation advisory committee:

- recommends to the board of directors the compensation and cash bonus opportunities based on the achievement of objectives set by the compensation advisory committee with respect to our chairman of the board and president, our chief executive officer and the other executive officers;
- administers our compensation plans for the same executives;
- determines equity compensation for all employees;
- reviews and approves the cash compensation and bonus objectives for the executive officers; and
- reviews various matters relating to employee compensation and benefits.

#### Nomination Process

The Board of Directors has not appointed a standing nomination committee and does not intend to do so during the current year. The process of determining director nominees has been addressed by the board as a whole, which consists of four members. The board has not adopted a charter to govern the director nomination process.

Of the currently serving five directors, Messrs. Rogers, Chang, Smith and Weiss would each be deemed to be independent within the meaning of the National Association of Securities Dealers, Inc.'s listing standards. For this purpose, a director is deemed to be independent if he does not possess any vested interests related to those of management and does not have any financial, family or other material personal ties to management.

The board of directors has not adopted a policy with regard to the consideration of any director candidates recommended by security holders, since to date the board has not received from any security holder a director nominee recommendation. The board of directors will consider candidates recommended by security holders in the future. Security holders wishing to recommend a director nominee for consideration should contact Mr. Daniel Sullivan, Chief Financial Officer, at the Company's principal executive offices located in Sarasota, Florida, and provide to Mr. Sullivan, in writing, the recommended director nominee's professional resume covering all activities during the past five years, the information required by Item 401 of Regulation SB, and a statement of the reasons why the security holder is making the recommendation. Such recommendation must be received by the Company before September 30 following the most recently completed fiscal year.

The board of directors believes that any director nominee must possess significant experience in business and/or financial matters as well as a particular interest in the Company's activities.

All director nominees identified in this proxy statement were recommended by our President and Chief Financial Officer and unanimously approved by the board of directors.

#### Shareholder Communications

Any shareholder of the Company wishing to communicate to the board of directors may do so by sending written communication to the board of directors to the attention of Mr. Steven D. Smith, Chief Operating Officer, at the principal executive offices of the Company. The board of directors will consider any such written communication at its next regularly scheduled meeting.



Any transactions between the Company and its officers, directors, principal shareholders, or other affiliates have been and will be on terms no less favorable to the Company than could be obtained from unaffiliated third parties on an arms-length basis and will be approved by a majority of the Company's independent, outside disinterested directors.

c. Director Compensation

Outside members of our Board of Directors are compensated for their services through grants of shares of common stock. For their services to date, the following directors have received the following numbers of shares of our common stock in consideration of their services:

| <u>Director</u> | <u>Shares of Common Stock</u> |
|-----------------|-------------------------------|
| Alfredo Chang   | 475,000                       |
| Steve Rogers    | 514,286                       |
| Robert Weiss    | 250,000                       |
| Stephen Smith   | 250,000                       |

d. Code of Ethics

Our Board of Directors has adopted a Code of Business Conduct and Ethics for all of our directors, officers and employees. We will provide to any person without charge, upon request, a copy of our Code of Business Conduct and Ethics. Such requests should be made in writing and addressed to Investor Relations, SkyLynx Communications, Inc., 500 John Ringling Blvd., Sarasota Florida 34236. Further, our Code of Business Conduct and Ethics was filed as an exhibit to our most recent annual report on Form 10KSB for the fiscal year ended June 30, 2004. You may also inspect a copy of our Code of Business Conduct and Ethics by visiting our internet web site at [www.skylynx.com](http://www.skylynx.com).

**3. Remuneration and Executive Compensation**

The following tables and discussion set forth information with respect to all plan and non-plan compensation awarded to, earned by or paid to the Chief Executive Officer ("CEO"), and the Company's four (4) most highly compensated executive officers other than the CEO, for all services rendered in all capacities to the Company and its subsidiaries for each of the Company's last three (3) completed fiscal years; provided, however, that no disclosure has been made for any executive officer, other than the CEO, whose total annual salary and bonus does not exceed \$100,000.

TABLE 1

SUMMARY COMPENSATION TABLE

|  | <u>Long Term Compensation</u> |                |
|--|-------------------------------|----------------|
|  | <u>Annual Compensation</u>    | <u>Awards</u>  |
|  |                               | <u>Payouts</u> |

| Name and Principal Position | Year | Salary<br>(\$) | Bonus<br>(\$) | Other Annual Compensation<br>(\$) | Restricted Stock Award(s)<br>(\$) | Options/SARs (#) | LTIP Payouts<br>(\$) | All Other Compensation (\$) |
|-----------------------------|------|----------------|---------------|-----------------------------------|-----------------------------------|------------------|----------------------|-----------------------------|
| Gary L. Brown               | 2004 | 75,000         | -0-           | -0-                               | -0-                               | -0-              | -0-                  | -0-                         |
|                             | 2003 | 75,000         | -0-           | -0-                               | -0-                               | -0-              | -0-                  | -0-                         |
| Bryan L. Walker             | 2002 | -0-            | -0-           | -0-                               | -0-                               | 100,000          | -0-                  | -0-                         |
|                             | 2001 | -0-            | -0-           | -0-                               | -0-                               | 150,000          | -0-                  | -0-                         |

The Board of Directors approved a base annual salary for Mr. Brown of \$150,000 beginning January 1, 2004. For fiscal 2004, Mr. Brown's salary was accrued but not paid due to a lack of working capital.

Table 2

**Option/SAR Grants in Last Fiscal Year**  
**Individual Grants**

| Name          | Options/SARs Granted (#) | % of Total Options/SARs Granted to Employees in Fiscal Year | Exercise or Base Price (\$/Sh) | Expiration Date |
|---------------|--------------------------|---|--------------------------------|-----------------|
| Gary L. Brown | 0                        | 0   | N/A                            | N/A             |

Table 3

**Aggregated Options/SAR Exercised In Last Fiscal Year**  
**And Fy-End Option/SAR Values**

| Name | Shares Acquired on Exercise | Value Realized (\$) | Number of Securities Underlying Unexercised Options at 06/30/03 | Value of Unexercised In-the-Money Options at 6/30/03 |
|------|-----------------------------|---------------------|---|--|
|      |                             |                     | Exercisable/Unexercisable                                       | Exercisable/Unexercisable                            |

|                 |         |           |   |   |
|-----------------|---------|-----------|---|---|
| Gary L. Brown   | 0       | 0         | 0 | 0 |
| Bryan L. Walker | 250,000 | \$129,843 | 0 | 0 |

1. Options are in the money if the market value of the shares covered thereby is greater than the option exercise price. This calculation is based on the estimated fair market value of the common stock at June 30, 2004, of \$.12 per share, less the exercise price.

4. Compliance With Section 16(a) of the Exchange Act:

Under the securities laws of the United States, the Company's directors, its executive officers and any persons holding more than 10% of the Company's common stock are required to report their ownership of the Company's common stock and any changes in that ownership to the Securities and Exchange Commission. Specific due dates for these reports have been established and the Company is required to report any failure to file by these dates during fiscal 2003 and fiscal 2004. In making this report, the Company has relied on the written representations of its directors and officers or copies of the reports that they have filed with the Commission. Based upon these sources of information, it would appear that during the period covered, Gary Brown failed to file ten reports covering ten transactions in a timely fashion, Alfredo Chang failed to file three reports covering three transactions in a timely fashion, Daniel Sullivan failed to file two reports covering two transactions in a timely fashion, Robert Weiss failed to file two reports covering two transactions in a timely fashion, Kenneth Marshall failed to file four reports covering four transactions in a timely fashion, Kevin Gorman failed to file three reports covering three transactions in a timely fashion, Gus Yepes failed to file two reports covering two transactions in a timely fashion, Stephen Rogers failed to file three reports covering three reports in a timely fashion, Steven Jesson failed to file one report covering one transaction in a timely fashion, and Robert Francis failed to file one report covering one transaction in a timely fashion.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR"  
THE ELECTION OF THE NOMINEES AS DIRECTORS

PROPOSAL NO. 2  
RATIFICATION OF SELECTION OF AUDITORS

The Board of Directors has selected the firm of Cordovano & Honeck, LLP, independent certified public accountants, to serve as auditors for the fiscal year ending June 30, 2005. Cordovano & Honeck, LLP has been the Company's accountants continuously since November 2002. It is not expected that a member of Cordovano & Honeck, LLP will be present at the Annual Meeting and that a member of that firm will be available to either make a statement or respond to appropriate questions. Ratification of the selection of our auditors is not required under the laws of the State of Delaware, or applicable rules or regulations of the Securities and Exchange Commission but will be considered by the Board of Directors in selecting auditors for future years.

The following table details aggregate fees billed for fiscal year ended June 30, 2004 by Cordovano & Honeck for:

- \* Professional services rendered for the audit of the Company's annual consolidated financial statements and the reviews of the Company's quarterly consolidated financial statements;

- \* Financial information systems design and implementation; and
- \* All other services:

|   | <u>2004</u> | <u>2003</u> |
|---|-------------|-------------|
| Audit fees - audit of annual financial statements and review of financial statements included in our quarterly reports, services normally provided by the accountant in connection with statutory and regulatory filings. | \$21,804    | \$24,850    |
| Audit-related fees - related to the performance of audit or review of financial statements not reported under "audit fees" above  | 0           | 0           |
| Tax fees - tax compliance, tax advice and tax planning  | 0           | 0           |
| All other fees - services provided by our principal accountants other than those identified above   | 0           | 0           |
| Total fees paid or accrued to our principal accountants   | \$21,804    | \$24,850    |

Neither the Board of Directors nor the Audit Committee of the Board of Directors has considered whether the provision of the services covered by the caption "Financial Information System Design and Implementation" or "Other" in the above table is compatible with Cordovano & Honeck's independence.

Votes Required

Ratification of the selection of Cordovano & Honeck to serve as auditors for the fiscal year ending June 30, 2005 will require an affirmative vote of a majority of the outstanding shares of common stock of the Company represented in person or by proxy at the Annual Meeting and voting on this Proposal.

Management Recommendation

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR THE RATIFICATION OF THE SELECTION OF CORDOVANO & HONECK.

PROPOSAL NO. 3  
REVERSE STOCK SPLIT

Mechanics of Reverse Stock Split

We are seeking your authorization to undertake, at our discretion in the future, up to a one-for-ten (1-for-10) Reverse Split of our outstanding shares of Common Stock and outstanding options, warrants and other rights convertible into shares of Common Stock. The authorization sought in this Proposal No. 3 would grant the Board of Directors additional authority to implement through one or more additional reverse splits a further recapitalization of our outstanding securities, not to exceed in the aggregate a reverse split of one-for-ten (1-for-10). We request your approval to effect a Reverse Split of our securities at such time in the future as we may determine, in our sole discretion, to be in the best interest of the Company and our shareholders. Once implemented, the Reverse Split would result in each holder of our Common Stock on the Record Date owning fewer shares of Common Stock than they owned immediately before the Reverse Split, and outstanding options, warrants, and other convertible rights will become exercisable to purchase a fewer number of shares of Common Stock at an exercise price per share increased by the factor of the Reverse Split. Fractional shares, options and warrants will be rounded up to the nearest whole.

If our shareholders approve the Reverse Split as currently described, we will be authorized to implement the Reverse Split within the foregoing parameters if we chose to do so at any time and until such time as the authorization is revoked by a majority vote of our shareholders at a future regular or special meeting of the our shareholders. If and when implemented, we will cause our stock transfer agent to provide each Shareholder of record written notice of such implementation together with a description of the effect thereof.

The Reverse Stock Split will not affect in any manner the rights and preferences of our shareholders. There will be no change in the voting rights, right to participate in stock or cash dividends, or rights upon the liquidation or dissolution of the Company of holders of Common Stock; nor will the Reverse Split affect in any manner the ability of our shareholders to sell under Rule 144 or otherwise engage in market transactions in accordance with federal and state securities laws.

The Reverse Stock Split will also result in an automatic adjustment of any and all outstanding options, warrants and other rights exercisable or convertible into shares of our Common Stock. The adjustment will consist of an increase in the exercise price or conversion value per share by the factor of the Reverse Split and the number of shares issuable upon exercise or conversion will be reduced by the same factor. For example, if we implement a one-for-two (1-for-2) Reverse Split, an option, warrant or other right exercisable or convertible into 1,000 shares of our Common Stock at an exercise price or conversion value of \$1.00 per share immediately before implementation of the Reverse Split would be exercisable or convertible into 500 shares of our Common Stock at an exercise price or conversion value of \$2.00 per share immediately after implementation of the Reverse Split. All other relative rights and preferences of holders of outstanding options, warrants and other rights convertible or exercisable into shares of our common stock shall remain unchanged.

#### Reasons for Reverse Stock Split

We believe that approval of the Reverse Split is in the best interest of the Company and our shareholders for several reasons. First, our Common Stock is not currently listed on the Nasdaq SmallCap Market ("Nasdaq"). In order to qualify for initial inclusion on Nasdaq, it is necessary to qualify under Nasdaq's initial inclusion criteria that include, among other things, the requirement that our Common Stock maintain a minimum bid price of \$4.00 per share and a market value of the public float of our securities of at least \$5,000,000. As of the date of this Proxy Statement, we do not satisfy either of these criteria. As a result, it may be necessary to implement a reverse split of our Common Stock in order to meet the Nasdaq initial inclusion criteria should the Board of Directors determine that we satisfy the other listing criteria and would otherwise be eligible for trading on Nasdaq.

Additionally, we believe that a Reverse Split, which will result in a higher per share trading price of our Common Stock, will enable us to attract additional interest in our Common Stock from the investment community, and particularly market-makers. Numerous broker-dealers and investment bankers require that a company's common stock

have a minimum public trading price before those broker-dealers or investment bankers will agree to make a market in that security. As a result, we believe that the Reverse Split has the potential of improving the liquidity of the public market for our Common Stock.

Votes Required

Approval and adoption of the increase in the number of shares of common stock issuable under our equity incentive plan will require that the votes cast in favor of the proposal exceed the votes cast against the proposal.

Board of Directors Recommendation

OUR BOARD OF DIRECTORS HAS CONCLUDED THAT THE PROPOSED REVERSE STOCK SPLIT IS IN THE BEST INTEREST OF THE COMPANY'S SHAREHOLDERS AND UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS APPROVE THIS PROPOSAL AT THE MEETING

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS  
AND MANAGEMENT

The following table sets forth information with respect to beneficial ownership of our common stock by:

- \* each person who beneficially owns more than 5% of the common stock;
- \* each of our executive officers named in the Management section;
- \* each of our Directors; and
- \* all executive officers and Directors as a group.

The table shows the number of shares owned as of May 15, 2005 and the percentage of outstanding common stock owned as of May 15, 2005. Each person has sole voting and investment power with respect to the shares shown, except as noted.

| <u>Name and Address</u> | <u>Number of Shares</u>  | <u>Percent Owned<sup>(2)</sup></u> |
|-------------------------|--------------------------|------------------------------------|
| (3)                     | (1)                      |                                    |
| Gary L. Brown           | 9,412,029                |                                    |
| Stephen Rogers          | 514,286                  |                                    |
| Kenneth L. Marshall     | 2,763,048                |                                    |
| Jon Fatula              | 100,000                  |                                    |
| Alfredo Chang           | 1,172,880 <sup>(4)</sup> |                                    |
| Joe Williamson          | 135,000                  |                                    |

Daniel Sullivan

Robert Weiss 370,000

Steven Smith 250,000

All Officers and Directors as a Group  
(9 persons)

(1) Beneficial ownership is based on information provided to us, and the beneficial owner has no obligation to inform us of or otherwise report any changes in beneficial ownership. Except as indicated, and subject to community property laws when applicable, the persons named in the table above have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

(2) The percentages shown are calculated based upon \_\_\_\_\_ shares of common stock outstanding. In calculating the percentage of ownership, unless as otherwise indicated, all shares of common stock that the identified person or group had the right to acquire within 60 days of the date of this Proxy Statement upon the exercise of options and warrants or conversion of notes are deemed to be outstanding for the purpose of computing the percentage of shares of common stock owned by such person or group, but are not deemed to be outstanding for the purpose of computing the percentage of the shares of common stock owned by any other person.

(3) Unless otherwise stated, the beneficial owner's address is 500 Ringling Boulevard, Sarasota, Florida 34242.

(4) Includes debentures convertible into an aggregate of 678,880 shares of common stock.

#### CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Open account cash advances have been made by various shareholders. No promissory notes, interest rates or repayment schedules were set at the time of such advances.

In December 2001, Gary L. Brown, our Chairman, President and CEO, and Steve Jesson, one of our directors, were each issued 142,858 shares of our Common Stock in consideration of their joining our Board of Directors. In August 2002, Mr. Jesson resigned as a director. Effective April 17, 2003, Mr. Jesson was re-elected to serve as a director our Company, and at the time was granted an additional 142,858 shares of our Common Stock.

From December 2001 to April 2003, Mr. Brown made cash advances to the Company totaling approximately \$170,000. Mr. Brown has converted all of those cash advances into shares of our Common Stock at a conversion price of \$.07 per share.

In April 2003, Mr. Brown converted accrued and unpaid compensation in the amount of approximately \$44,000 into shares of our Common Stock at a conversion price of \$.07 per share.

During the year ended June 30, 2002, Mr. Brown was granted an option to purchase 700,000 shares of Common Stock from the Shelton Voting Trust at a price of \$.014 per share. During the year, Mr. Brown assigned options to purchase 142,858 shares of Common Stock each to Robert Francis (through Milford Communications Partners) and Stephen Rogers, as well as options to other persons. In connection with the option exercise, Mr. Brown acquired 220,525 shares of our Common Stock.

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In May 2002, Robert D. Francis, a director, acquired 142,858 shares of our Common Stock pursuant to the assignment from Gary L. Brown of an option held by Mr. Brown to purchase shares of Common Stock from the Shelton Voting Trust.

From January 1, 2003 to April 30, 2003, Mr. Francis performed services as a consultant for the Company for which he was paid a consultant's fee of \$6,250 per month. Effective April 30, 2003, Mr. Francis converted accrued compensation in the amount of \$25,000 into shares of our Common Stock at a conversion price of \$.07 per share.

In May 2002, Stephen L. Rogers, a director, acquired 142,858 shares of Common Stock pursuant to an assignment from Gary L. Brown of an option held by Mr. Brown to purchase shares of Common Stock from the Shelton Voting Trust.

From January 1, 2003 through March 31, 2003, Mr. Rogers provided consultant's services for the Company for a consulting fee of \$5,000. Effective April 30, 2003, Mr. Rogers converted that sum into shares of our Common Stock at a conversion price of \$.07 per share.

Kenneth L. Marshall serves as Secretary and General Counsel to the Company in consideration of \$5,000 per month. In addition, Mr. Marshall has made cash advances to our subsidiary, Rover Telcom Corporation, in the amount of \$23,500. Effective April 30, 2003, Mr. Marshall converted an aggregate of \$48,365 of accrued salary, cash advances and unreimbursed expenses into shares of our Common Stock at a conversion price of \$.07 per share.

In August 2003, we issued 300,000 shares of our Common Stock to our director, Stephen Rogers, in consideration of his consulting services for the Company. We valued the shares of Common Stock at \$.10 per share.

Alfredo Chang, a director, has received an aggregate of 425,000 shares of Common Stock in consideration of his services as a director and consultant.

Robert Weiss, a director, was granted 250,000 shares of Common Stock for his services as a director. In addition, Black Knight Ventures, Ltd., an investment banking firm controlled by Mr. Weiss and his wife, was issued an additional 120,000 shares of Common Stock for investment banking services.

In October 2004, the Company obtained a term loan from a commercial lender in the amount of \$500,000. To obtain the loan, the lender required personal guarantees and collateral enhancement, which was provided by four individuals, three of whom are members of our Board of Directors. In consideration of those guarantees and collateral enhancements, the Company issued 50,000 shares of restricted Common Stock to each Alfredo Chang and Daniel J. Sullivan, a director and Chief Financial Officer, and the Company issued 100,000 shares of restricted Common Stock each to Robert Weiss, a director, and Joseph Roberts, a shareholder.

On October 15, 2004, the Company agreed to an arrangement whereby additional debt was converted into 12% Convertible Debentures in the aggregate amount of \$709,800. The Debentures were issued on December 16, 2004. This debt included unpaid promissory notes, fees for services, accrued salaries, travel and related expenses. This debt is now due on or before December 31, 2006. The debt and accrued interest is convertible into shares of the \$.0001 par value Common Stock of the Company at the prices set forth below, at the option of the holders. The following sets forth the names of our affiliates and the number of shares to be received by each in conversion of our outstanding debt to such person:



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| <u>Name</u>         | <u>Amount of<br/>Debenture</u> | <u>Number of Shares if<br/>Converted</u> | <u>Price per Share</u> |
|---------------------|--------------------------------|--|------------------------|
| Gary L. Brown       | \$ 387,439                     | 4,842,984                                | \$.08                  |
| Kenneth L. Marshall | 111,250                        | 1,112,500                                | \$.10                  |
| Clifford L. Neuman  | 106,073                        | 1,060,730                                | \$.10                  |
| Daniel J. Sullivan  | 36,250                         | 362,497                                  | \$.10                  |
| Alfredo Chang       | <u>68,788</u>                  | <u>687,880</u>                           | \$.10                  |
| Total               | 709,800                        | 8,066,591                                |                        |

Effective April 5, 2005, the Company issued additional 12% Convertible Debentures to reflect unpaid accruals for salary, fees and unreimbursed expenses through March 31, 2005, to the following persons:

| <u>Name</u>         | <u>Amount of<br/>Debenture</u> | <u>Number of Shares if<br/>Converted</u> | <u>Price per Share</u> |
|---------------------|--------------------------------|--|------------------------|
| Gary L. Brown       | \$100,000                      | 1,666,666                                | \$.06                  |
| Kenneth L. Marshall | 50,000                         | 841,667                                  | \$.06                  |
| Clifford L. Neuman  | 41,448                         | 690,800                                  | \$.06                  |
| Steven D. Smith     | <u>50,000</u>                  | <u>841,667</u>                           | \$.06                  |
| Total               | 241,448                        | 4,040,800                                |                        |

On May 4, 2005, the following executive officers of the Company exercised their right to convert the foregoing Convertible Debentures into shares of common stock in the following numbers:

| <u>Name</u>         | <u>Amount of<br/>Debentures<br/>Converted</u> | <u>Number of Shares<br/>Issued</u> |
|---------------------|---|------------------------------------|
| Gary L. Brown       | \$487,438                                     | 6,509,589                          |
| Kenneth L. Marshall | 161,250                                       | 2,043,167                          |
| Steven D. Smith     | <u>50,000</u>                                 | <u>841,667</u>                     |
| Total               | 698,688                                       | 9,394,423                          |

OTHER MATTERS

The Board of Directors knows of no business to be brought before the Annual Meeting other than as set forth above. If, however, any other matters properly come before the Annual Meeting, it is the intention of the person's named in the enclosed proxy form to vote such proxies on such matters in accordance with their best judgment.

Whether or not you expect to present at the meeting, please sign and return the enclosed proxy promptly. Your vote is important. If you wish to attend the meeting and wish to vote in person, you may withdraw your proxy.

SKYLYNX COMMUNICATIONS, INC.

By: \_\_\_\_\_

Kenneth L. Marshall, Secretary

Shareholder Proposals For The 2006 Annual Meeting

If any shareholder wishes to present a proposal for inclusion in the proxy materials to be mailed by the Company with respect to the 2006 Annual Meeting of Shareholders, the proposal must be presented to the Company's management prior to June 30, 2005, along with proof of common stock ownership in the Company. If, however, notwithstanding the foregoing deadline, a proposal is brought before the Meeting, then under the proxy rules of the Securities and Exchange Commission the proxies solicited by management with respect to the Annual Meeting will confer discretionary voting authority with respect to the stockholder's proposal on the person selected by management to vote the proxies. If a stockholder makes a timely notification, the proxies may still exercise discretionary voting authority under circumstances consistent with the Commission's proxy rules. In order to curtail controversy as to the date on which a proposal was received by the Company, it is suggested that proponents submit their proposals by overnight courier to SkyLynx Communications, Inc., 500 Ringling Boulevard, Sarasota, Florida 34242, Attention: Gary L. Brown, President and CEO.

SKYLYNX COMMUNICATIONS, INC.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS  
CHARTER

General

The role of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by:

- \* Serving as an independent and objective party to monitor the Corporation's financial reporting process and internal control system.
- \* Reviewing and appraising the audit efforts of the Corporation's independent accountants.

- \* Providing an open avenue of communication among the independent accountants, financial and senior management and the Board of Directors.

## Composition

The Audit Committee shall consist of two or more directors as determined by the Board, each of whom shall be independent directors, and free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgement as a member of the Committee. In determining whether any director is independent, the Board shall take into consideration the requirements of the principal exchange or system on which the Corporation's common stock is traded. Directors, who are affiliates of the Company, or officers or employees of the Company or of its subsidiaries, will not be considered independent

All members of the Committee must be able to read and understand fundamental financial statements, including a corporation's balance sheet, income statement, and cash flow statement or become able to do so within a reasonable period of time after his or her appointment to the Committee, and at least one member of the Committee is to have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the member's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.<sup>1</sup>

The members of the Committee are to be elected by the Board and shall serve until their successors are duly elected and qualified. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

## Meetings

The Committee shall hold regular meetings as may be necessary and special meetings as may be called by the Chairman of the Committee. As part of its job to foster open communication, the Committee should meet at least annually with management and the independent accountants in separate executive sessions to discuss any matters that the Committee or either of these groups believe should be discussed privately. In addition, the Committee or its Chair should meet with the independent accountants and management quarterly to review the Corporation's financial statements.

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<sup>1</sup> Exception for Small Business issuers - These issuers must establish and maintain an Audit Committee of at least two members, a majority of which must be independent directors. The understanding of accounting and financial management by members is not required.

## Relationship with Independent Accountants

The Corporation's independent accountants are to be ultimately accountable to the Board and the Committee, and the Committee and the Board shall have the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent accountants (or nominate the outside auditor to be proposed for shareholder approval in any proxy statement).

## Responsibilities and Duties

To fulfill its responsibilities and duties the Audit Committee shall:

## Documents/Reports Review

1. Review and assess the adequacy of this Charter at least annually, and otherwise as conditions dictate.
2. Review the Corporation's annual financial statements and any reports or other financial information submitted to the Securities and Exchange Commission or the public; including any certification, report, opinion, or review rendered by the independent accountants.
3. Review with financial management and the independent accountants the Corporation's filings with the Securities and Exchange Commission on Form 10-Q<sup>2</sup> prior to their filing or prior to the release of earnings. The Chair of the Committee may represent the entire Committee for purposes of this review.

#### Independent Accountants

1. Recommend to the Board the selection of the independent accountants, considering independence and effectiveness, and approve the fees and other compensation to be paid to the independent accountants.
2. On an annual basis, obtain from the independent accountants, and review and discuss with the independent accountants, a formal written statement delineating all relationships the independent accountants have with the Corporation, consistent with Independence Standards Board Standard 1, and actively engage in a dialogue with the independent accountants with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent accountants.
3. Recommend to the Board any appropriate action to oversee the independence of the independent accountants.
4. Review the performance of the independent accountants and approve any proposed discharge of the independent accountants when circumstances warrant.
5. Periodically consult with the independent accountants out of the presence of management about internal controls and the fullness and accuracy of the Corporation's financial statements.

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<sup>2</sup> Or Form 10-QSB if applicable.

#### Financial Reporting Processes

3

1. In consultation with the independent accountants, review the integrity of the organization's financial reporting processes, both internal and external.
2. Consider the independent accountant's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
3. Consider, and approve, if appropriate, major changes to the Corporation's auditing and accounting principles.

4. Establish regular and separate reporting to the Committee by each of management and the independent accountants regarding any significant judgments made in management's preparation of the financial statements and the view of each as to appropriateness of such judgments.
5. Following completion of the annual audit, review separately with each of management and the independent accountants any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
6. Review any significant disagreement among management and the independent accountants in connection with the preparation of the financial statements.
7. Review with the independent accountants and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented.

Ethical and Legal Compliance

1. Establish, review and update periodically a Code of Conduct and ensure that management has established a system to enforce this Code.
2. Review, with the Corporation's counsel, any legal matter that could have a significant impact on the Corporation's financial statements.
3. Perform any other activities consistent with this Charter, the Corporation's bylaws and governing law, as the Committee or the Board deems necessary or appropriate.

Adopted by Resolution of the Board of Directors

\_\_\_\_\_, 2005

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3 If the company has an internal audit department, appropriate references should be made to the communications between the Committee and that department and to the Committee's review of that department.