

National Association of Corporate Directors

COMPENSATION COMMITTEE CHARTER

Purpose

The Compensation Committee shall assist the Board of Directors in fulfilling its oversight responsibilities relating to the compensation and benefits of the CEO and the CEO's senior management team with an annual salary of \$100,000 or greater, and shall approve recommendations regarding the CEO's senior management team successors.

Membership

The Committee shall be composed of three or more independent Directors appointed annually by the Board. The Board shall designate the Chairman of the Committee.

Meetings

The Committee shall meet at least twice annually or more frequently as it shall determine is necessary to carry out its duties and responsibilities. The Chairman will schedule regular meetings; additional meetings may be held at the request of two or more members of the Committee, the CEO, or the Chairman of the Board.

Duties and Responsibilities

In carrying out its oversight responsibilities, the Committee shall:

1. Develop a compensation philosophy and policies for approval by the Board.
2. Review NACD's goals and objectives relevant to the compensation of the CEO and the CEO's senior management team for approval by the Board.
3. Annually evaluate the CEO's performance in light of these goals and objectives, and make a recommendation to the Board with respect to the CEO's compensation.
4. The CEO will establish salaries and any adjustments for members of the staff below \$100,000 in annual salary following approval of a merit and bonus pool by the Committee.
5. Annually review the CEO's and the CEO's senior management team compensation to ensure that such salaries, bonuses and benefits are appropriate and consistent with published compensation surveys or reports prepared for the Committee by outside consultants. Committee will also review any change of benefits including commuting applicable to the CEO's senior management team.

6. Review all proposed employment contracts and severance agreements with the CEO and the CEO's senior management team and make recommendations for approval by the Board.
7. Annually review IRS form 1099 filings and any other required filings related to compensation and report findings to the Board.
8. Oversee the administration of NACD's compensation and benefits program for the CEO's senior management team, including a review of the NACD founder's retirement plan.
9. In consultation with the Governance Committee, develop succession plans for the positions of CEO and the CEO's senior management team and submit such plans to the Board for approval. The Committee and the Governance Committee shall share responsibility for conducting a search for candidates, evaluating potential successors, and making recommendations to the Board. The Committee and the Governance Committee are jointly authorized to engage a professional search firm. In consultation with the Governance Committee, review the NACD's succession plans annually and jointly recommend to the Board revisions as needed.
10. Report regularly to the Board on the Committee's activities and actions, as appropriate. The Committee will maintain minutes of meetings and report to the Board the results of Committee meetings.
11. Annually review the Committee's own performance, and report the results of such review to the Board.
12. Annually review and reassess the adequacy of this charter and recommend any proposed changes to the Board for approval.
13. Perform such other duties as are necessary or appropriate to further the Committee's purposes or as the Board may from time to time assign to it.

Amended 6-25-09