

**Charter
of
the Compensation Committee
of
the Board of Directors
of
Apollo Group, Inc.**

Purposes.

The Board of Directors of Apollo Group, Inc, (the “Board”) has delegated full power and authority to the Compensation Committee of the Board (the “Committee”) to establish the compensation policies to be in effect for the Company’s executive officers, set the individual compensation of each executive officer in accordance with those policies, administer the Company’s equity compensation plans, and assist in the preparation of the “compensation discussion and analysis” for inclusion in the Company’s annual proxy statement and/or 10-K. The Committee shall carry out such duties and responsibilities in accordance with the terms and provisions of this charter.

Composition of the Committee.

Members. The Committee shall be comprised of not less than three (3) Board members. The members of the Committee and the chair of the Committee shall be appointed by the Board. The Chair of the Committee shall not also serve concurrently as the Chair of the Audit Committee, and the members of the Committee shall not be completely identical with the members of the Audit Committee.

Independence. Each member of the Committee must satisfy the standards for an independent director established under Rule 4200 of the National Association of Securities Dealers, Inc. (“NASD”) for companies with securities listed on the Nasdaq Global Market. Accordingly, no member of the Committee (i) shall have in the past 5 years been employed by the Company, employed by or otherwise affiliated with the Company’s auditors, or employed by another company whose compensation committee includes an officer of the Company as a member or (ii) shall be a family member of an individual so employed or affiliated in the past 5 years. In addition, each member of the Committee must meet the standards of (i) an “outside director” under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), and the applicable Treasury Regulations thereunder and (ii) a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

Appointment. The Board may appoint and remove Committee members in accordance with the Company’s bylaws. Each Committee member shall serve for such term as may be fixed by the Board or may serve solely at the will of the Board if no specific term is fixed. Upon expiration of any fixed term or the occurrence of any vacancy on the

Committee, the Board shall appoint a new or replacement Board member or (in the case of an expired term) reappoint the Board member to the Committee, provided in each instance the Board member so appointed or reappointed to the Committee satisfies the independence standards set forth above.

Committee Functions.

The following duties and responsibilities are set forth as a guide to the Committee in carrying out its oversight functions with respect to executive compensation matters. The Committee may alter, supplement or diverge from such duties and responsibilities as appropriate under the circumstances, to the extent permitted by applicable law or listing standard. The Committee is authorized to undertake any other responsibilities as may from time to time be assigned to it by the Board and to take all actions reasonably necessary to carry out its functions and duties under this Charter.

1. Establishment and Implementation of Compensation Strategy. The Committee shall, with the assistance of an independent consultant of national standing selected by the Committee, establish a compensation strategy designed both to attract and retain executive talent in a competitive market and to maintain a substantial and defined link between compensation and performance. The Committee shall have the authority to determine the form, timing and amount of such compensation necessary or appropriate to achieve the Committee's strategic objectives, including salary, short-term or long-term incentive or performance-based compensation, equity awards, deferred compensation opportunities and post-employment compensation arrangements. The Committee shall review and approve corporate goals and objectives relevant to the compensation of the Company's co-principal executive officer (the "Co-CEOs") and other executive officers, including the establishment of annual performance objectives. The Committee shall review its compensation strategy at least annually to assure that it continues to advance the Company's objectives and promote the creation of shareholder value and that executive officers are in fact being rewarded in a manner that is consistent with the Committee's strategy.

2. Co-CEO Compensation. The Committee shall conduct an annual review of the performance of each of the Co-CEOs, usually within the first ninety (90) days of the succeeding fiscal year. As part of that annual review process (which may occur over one or more meetings), the Committee shall address the following items:

- determine whether any adjustment to the annual rate of base salary for either or both of the Co-CEOs is appropriate based on individual performance and market data,
- assess the extent to which any performance-based incentive compensation for the recently completed fiscal year has been earned,

- establish the bonus opportunities for each Co-CEO for the appropriate fiscal year (not later than ninety (90) days after the start of that year) and the applicable performance goals and objectives upon which such bonus opportunities are contingent,
- determine the type and amount of any equity awards to be made to each of the Co-CEOs,
- consider and review the appropriateness of any new or continued perquisites, and
- address any other matters relating to the assessment of the performance of the Co-CEOs and their respective compensation packages that the Committee considers appropriate, including the Company's financial performance and total stockholder return.

In determining the appropriateness of any element of such compensation, the Committee shall take into account (i) the compensation levels for chief executive officers at companies that the Committee has, with the assistance of its independent consultants, determined to be comparable to the Company for purposes of benchmarking compensation and other relevant market surveys and proxy statement data and (ii) the Company's financial performance for one or more recently completed fiscal years and the total stockholder return for such period. From time to time, the Committee shall review a formal tally sheet (or other appropriate compilation or summary) of the various components of the compensation package of each Co-CEO, including unrealized gains on outstanding equity awards, earnings on any deferred compensation arrangement, the cost of any perquisites and the value of any potential severance or change in control payments and benefits.

3. Other Executive Officers. The Committee shall complete an annual evaluation (usually within the first ninety (90) days of the succeeding fiscal year) of the performance of each executive officer named in the Company's 10-K (other than the Co-CEOs). Such evaluation shall be based on input from the Company's Executive Chairman, each of the Co-CEOs and other members of senior management and shall serve as the basis for determining the appropriate level of compensation to be in effect for each such individual. As part of such annual compensation process (which may occur over one or more meetings), the Committee shall meet with the Co-CEOs to discuss the incentive compensation programs to be in effect for the Company's other executive officers for the fiscal year and the corporate goals and objectives relevant to those programs. Based on the annual review of the individual performance of each such executive officer and his or her contribution to the established corporate goals and objectives, the Committee shall address the following compensation matters:

- determine whether any adjustment to the executive officer's annual rate of base salary is appropriate based on individual performance and market data,
- determine the annual rate of salary for each executive officer,

- assess the extent to which any performance-based incentive compensation for the recently completed fiscal year has been earned,
- establish the bonus opportunities for each executive officer for the appropriate fiscal year (but not later than ninety (90) after the start of that year) and the applicable performance goals and objectives upon which such bonus opportunities are contingent,
- determine the type and amount of any equity awards to be made to each executive officer,
- consider and review the appropriateness of any new or continued perquisites and
- address any other matter relating to the assessment of performance and compensation of such executive officers that the Committee considers appropriate.

In determining the appropriateness of any element of such compensation, the Committee shall take into account (i) the recommendations of the Co-CEOs as to the annual compensation package to be provided each executive officer other than the Co-CEOs and (ii) the compensation levels for similarly-positioned executive officers at companies that the Committee has, with the assistance of its independent consultants, determined to be comparable to the Company for purposes of benchmarking compensation and other relevant market surveys and proxy statement data market surveys. The Committee shall also take into consideration the Company's financial performance for one or more recently completed fiscal years and the total stockholder return for such period.

4. Compensation Protocols. The Committee shall not ordinarily award cash bonuses or equity compensation (whether in the form of stock options, stock appreciation rights, restricted stock, restricted stock units or other stock-based compensation) to the executive officers if the Company's financial performance does not meet established threshold levels, unless necessary for retention purposes or to reward individual performance. Cash bonus awards for the executive officers (other than sign-on or recruitment bonuses) shall be tied to the attainment of pre-established Company financial objectives or may instead be tied in whole or in part to the attainment of individual performance goals. In addition, the Committee shall not authorize the reduction of the exercise price of any outstanding stock options (other than to reflect changes in the Company's capitalization effected without the receipt of consideration) or the exchange of outstanding stock options for new options with lower exercise prices.

5. Administration of Equity Incentive Plans.

A. The Committee shall be the primary administrator of the Company's equity incentive plans, including (without limitation) the Company's Long-

Term Incentive Plan, the 2000 Stock Incentive Plan and any successor equity incentive plans. In such capacity the Committee shall have the sole and exclusive authority to make equity awards under those plans (whether in the form of stock options, stock appreciation rights, restricted stock, restricted stock units or other stock-based awards) to the Company's executive officers and non-employee Board members. The Committee, together with the Board or any subcommittee of the Committee to which authority is delegated pursuant to this charter, shall also have the authority to make equity awards under those plans to all other eligible individuals.

B. Any equity award to a member of the Committee (other than pursuant to an automatic and formulaic program in effect for all the non-employee Board members or pursuant to an ad hoc award made to all non-employee Board members upon the same terms and conditions) must be approved by a disinterested majority of the other remaining Board members who satisfy the independence standards specified above.

C. All equity awards made by the Committee (other than new hire grants) shall occur or otherwise become effective: (i) during an open window period beginning with the second and ending no later than the tenth business day following the release of the annual or quarterly financial results or the release of any other significant information relating to the Company's operations, financial condition or business; (ii) on a date fixed by the Committee at least ninety (90) days in advance; (iii) on one of two fixed, pre-determined, award dates six months (6) apart; or (iv) for formulaic grants to faculty members, on the last business day of January each year. Should a fixed award date under clause (iii) fall on a day on which the Company's Class A common stock is not traded, then the award date shall be the first trading day following the fixed date on which the Class A common is traded. The Committee may make equity awards on one or both of the fixed dates established pursuant to clause (iii) and may also change the fixed award dates under clause (iii), but must do so at least six (6) months in advance of both dates.

D. Unless the Committee determines that circumstances warrant otherwise, it shall remain the established practice of the Committee to make equity grants to executive officers once a year at the same time equity grants are made to all other management employees.

E. Any grant made by the Committee to a new hire shall become effective on any of the following dates specified by the Committee at the time the grant is authorized: (i) the first trading day of the month following the date that the individual commences employment or the fifteenth day of the month coincident with or next following such employment commencement date; (ii) on the date of the individual's actual commencement of employment; or (iii) on the date the grant is approved by the Committee (provided the grant in such instance does not have an effective date prior to the date of the individual's actual commencement of employment). Grants to new hires

who are not executive officers may also be made on such basis by a subcommittee of the Committee composed of at least two (2) members of the Committee.

F. Written documentation identifying each grantee and the amount of each proposed equity award (the “preliminary grant list”) shall be prepared and presented to the Committee for consideration. On the date that such awards are authorized or approved, the Committee shall review the preliminary grant list, make any changes or revisions deemed appropriate and approve the final list (the “final grant list”). Changes to the preliminary grant list and approval of the final grant list shall be reflected in the minutes of the meeting. A copy of the final grant list (either a hand-marked preliminary grant list or a typed final grant list) shall be appended to the minutes of the meeting at which the grants are authorized or approved. In no event shall any adjustments or revisions be made to such list after approval by the Committee, except to eliminate inadvertent duplicative awards or awards made to grantees who terminate employment before the effective date of those awards.

6. Equity Awards under Internal Revenue Code Section 162(m). The Committee shall, with the advice of appropriate consultants, set the terms of all stock options, stock appreciation rights and other stock-based awards designed to qualify as performance-based compensation under Section 162(m) of the Code that are made to executive officers subject to the Section 162(m) limitation in a manner which the Committee believes at the time to be compliance with applicable requirements for performance-based compensation under Section 162(m) of the Code. Following the completion of the applicable performance period for any equity awards with performance-vesting requirements, the Committee shall certify the level of performance attained for that period and shall accordingly determine the actual number of shares, if any, which are to vest on the basis of such certification. In setting the terms of other equity incentive awards to the executive officers, such as service-vesting restricted stock or restricted stock units, the Committee shall take the potential deductibility of those awards into account as one of a number of relevant factors, but in situations where the overall objective of such awards is the recruitment and retention of executive officers essential to the Company’s financial success, the Committee may grant awards which are not fully deductible by reason of the limitations of Internal Revenue Code Section 162(m).

7. Other Internal Revenue Code Section 162(m) Plans. For each performance-based, non-equity compensation program designed to provide performance-based compensation under Section 162(m) of the Code, the Committee shall, within the applicable time limitations under such Section 162(m), determine the executive officers who are to participate in that program, establish the objective performance goals (at threshold, target and maximum levels, to the extent applicable) that must be attained for the applicable performance period in order to trigger the payment of incentive compensation under the plan and set the applicable threshold, target and/or maximum levels of payment for each executive officer selected for participation. Following the completion of the applicable performance period, the

Committee shall certify the level of performance attained for that period and shall accordingly determine, on the basis of such attained level of performance, the actual award, if any, to be made to each executive officer participating in the program. In determining the amount of each such award, the Committee may exercise discretion to set the award at a dollar level lower than the amount otherwise triggered by the attained level of performance, to the extent the Committee believes that the exercise of such negative discretion is appropriate. The Committee shall also have full power and authority to administer all of the Company's other incentive plans for the executive officers, whether payable in cash or securities.

8. Perquisites/Special Payments. The Committee shall approve all perquisites, special cash payments and other special compensation and benefit arrangements for the Company's executive officers that exceed on a per officer basis either \$2,500 per item or \$10,000 in the aggregate.

9. Share Ownership Levels. The Committee shall have the authority to establish share ownership guidelines or policies for the executive officers and to evaluate and adjust those guidelines and policies from time to time as the Committee deems appropriate. The Committee shall also have the authority, exercisable in consultation with the Nominating and Corporate Governance Committee of the Board, to establish appropriate share ownership guidelines or policies for the non-employee members of the Board and to evaluate and adjust those guidelines and policies from time to time. To the extent such ownership guidelines or policies are established, the Committee shall review at least annually the share ownership of the executive officers and non-employee Board members and their progress in meeting the applicable ownership guidelines.

10. Oversight of Equity Compensation and Other Plans. The Committee shall review at least annually all equity-based compensation plans and arrangements, including the number of shares remaining available for issuance under those plans and arrangements and their compliance with applicable laws and regulations, and make recommendations to the Board regarding the need to amend existing plans or adopt new ones for the purpose of implementing the Committee's strategy regarding short-term and long-term incentive compensation programs and equity-based awards. The Committee shall also review periodically the Company's various employee benefit plans, including (without limitation) the Section 401(k) Plan and the Employee Stock Purchase Plan. Responsibility for day-to-day administration, including the preparation and filing of all government reports and the preparation and delivery of all required employee materials and communications, will be performed by Company personnel.

11. Employment Agreements. The Committee shall review in advance all proposed employment agreements for executive officers and any proposed amendments or renewals of such agreements, and no such agreement or amendment may be implemented without the Committee's approval. The Committee shall at least annually

review any existing employment agreements in effect for the executive officers and implement any amendments thereto that the Committee deems appropriate, subject to any required consent of the affected executive officers. The Committee shall inform the other independent members of the Board of all new employment agreements with new or current executive officers and all material amendments to existing employment agreements with such individuals approved by the Committee.

12. Separation/Severance/Change in Control Benefit Packages and Agreements. The Committee shall review all separation packages, severance benefits and change in control benefits proposed for executive officers, including salary and bonus continuation payments, vesting acceleration of equity awards and extended post-employment exercise periods for outstanding awards, COBRA coverage at Company expense and outplacement services, and no such benefits shall be paid or provided without the Committee's approval. The Committee shall review at least annually all outstanding change of control or severance arrangements with the executive officers and shall, in connection therewith, obtain from the Company and review the estimated amounts that would be payable under those arrangements upon each triggering event. The Committee shall inform the other independent members of the Board of any amendments to the Company's change of control or severance arrangements approved by the Committee. The Committee shall also review any proposed vesting acceleration or extended post-employment exercise periods relating to equity incentive awards held by other terminating employees, and no such benefits shall be provided without the Committee's approval.

13. Deferred Compensation. The Committee shall review the terms on which any compensation earned by or otherwise payable to executive officers may be deferred and the notional investments to be utilized to determine the investment return on the deferred earnings, and no such deferred compensation arrangement may be implemented without the Committee's approval. The Committee shall at least annually review the administration of the Company's non-qualified deferred compensation plans and their compliance with applicable regulatory requirements.

14. Internal Pay Equity. The Committee shall from time to time perform an internal pay equity review in order to measure the CEO's total compensation package against the compensation provided the Company's other executive officers and assess the fairness and appropriateness of the differences in the level of total compensation provided the CEO and such other individuals.

15. Compensation Consultants and Other Advisors. The Committee may, in its discretion, retain the services of a compensation consultant to advise and assist the Committee in the performance of its functions. However, the Committee shall, at least once every three (3) years, retain the services of an independent consultant to conduct a comparative study of the Company's executive compensation policies, practices, and

procedures relative to other public companies and prepare and submit to the Committee a report and recommendations. Any compensation consultant retained by the Committee shall be independent of management and shall perform no other services for the Company, unless such services are approved by the Committee or the total fee for the project would not exceed ten thousand dollars (\$10,000). The Committee shall have sole authority to determine the consultant's fees and the other terms of the engagement and to terminate the consultant's services. The Committee also may, in its discretion, retain the services of legal counsel and other advisors of its choosing to assist the Committee in the performance of its functions. The Company shall provide for appropriate funding, as determined by the Committee, to compensate consultants, legal counsel or other advisors retained by the Committee pursuant to this charter.

16. Employee Loans. The Committee shall review at least annually the Company's policies and procedures regarding loans to employees in excess of twenty-five thousand dollars (\$25,000) per individual. Under no circumstance shall the Committee approve any arrangement in which the Company proposes to extend or maintain credit, or otherwise arrange for the extension of credit, in the form of a personal loan to or for any executive officer of the Company.

17. Succession Planning: The Committee shall periodically review and assist the Board in developing succession plans for the CEO position and the other executive officers. In performing such functions, the Committee may consult with the existing CEO or Co-CEOs and independent advisors.

18. Compensation Discussion and Analysis. The Committee shall assist in the preparation of the compensation discussion and analysis" and a related "compensation committee report," for inclusion in the Company's annual proxy statement and/or 10-K, in accordance with the rules of the Securities and Exchange Commission. The Committee shall review and discuss the compensation discussion and analysis with management each year prior to preparing the compensation committee report and shall determine whether or not to recommend to the Board that the compensation discussion and analysis be included in the proxy statement and/or 10-K.

19. Compensation Committee Report. The Compensation Committee shall, with such legal advice as it may require, prepare the annual compensation committee report required under applicable rules of the Securities and Exchange Commission to be furnished with the Company's proxy statement and/or 10-K.

20. Risk Assessment of Compensation Programs. The Committee shall, with the assistance of the Company's risk management personnel and independent compensation consultants and in consultation with appropriate members of the Audit Committee, periodically assess the Company's various compensation programs, including those in which non-executive officers participate, to determine whether they encourage executive officers and other participating employees to engage in unnecessary

or excessive risk taking that could have a materially impact jeopardize the economic stability and financial viability of the Company. As part of such assessment, the Committee shall evaluate the following factors relating to the Company's overall compensation programs:

(i) whether there is appropriate co-ordination and interaction with the Audit Committee and risk management personnel to identify and assess business risks and to evaluate the impact of the Company's compensation programs on those risks;

(ii) whether any particular compensation programs or arrangement exacerbate identified risks to the business or create new business risks; and

(iii) whether the various components of the compensation structure are properly aligned so as to promote an appropriate combination of incentive and retention objectives and avoid unnecessary and excessive risk;

(iv) whether there is a proper balance between the Company's annual short-term and long-term incentive programs;

(v) whether the performance goals and target levels for the incentive compensation components are in alignment with the Company's overall strategic business objectives and competitive market environment and are designed to drive sustained value creation over the long-term;

(vi) whether there are appropriate limits on the maximum payout amounts under the various incentive compensation programs;

(vii) whether any elements of the overall compensation program should be adjusted for employees of business units that represent significant profit centers or that represent a significant portion of the Company's risk profile or that have significant compensation costs in relation to revenue;

(viii) whether there are any special or unique compensation arrangements at any significant business unit;

(ix) whether the share ownership requirements are at the appropriate levels to assure that the executive officers have a meaningful stake in the long-term financial success of the Company; and

(x) whether claw back provisions, holding period requirements and other risk-management techniques should be implemented with respect to one or more components of the overall compensation structure.

21. Compliance with Legal Requirements. The Committee shall perform any other functions required of it by applicable law, rules or regulations, including the rules of the Securities and Exchange Commission and the rules of any exchange or market on which the Company's securities are traded. The Committee also shall perform such other functions as may be delegated to it by the Board from time to time.

22. Annual Review of Charter and Equity Grant Processes. The Committee shall review this charter annually and recommend to the Board any changes it considers to be appropriate. The Committee shall also periodically review the equity grant processes set forth in this charter and monitor industry and regulatory practices in this area and revise such equity grant processes as developments occur.

23. Annual Performance Evaluation. The Committee shall conduct an annual evaluation of the Committee's performance and shall present its finding and conclusions to the Board.

24. Non-Employee Director Compensation: The Committee shall meet with the Nominating and Corporate Governance Committee of the Board on at least an annual basis for purposes of (i) reviewing and recommending to the Board appropriate retainer, meeting and other fees and other non-equity compensation programs for the non-employee Board members, committee chairs and committee members, consistent with any applicable requirements of the listing standards and applicable laws for independent directors, and (ii) establishing and evaluating any share ownership guidelines or policies for the non-employee Board members. The Committee shall also be empowered to approve formulaic equity awards in the form of stock options, stock appreciation rights, restricted stock or restricted stock units to be made to newly elected or appointed non-employee directors or periodically to continuing non-employee directors.

25. Delegation of Authority. The Committee may delegate authority under this charter to a subcommittee, comprised of at least two members of the Committee, to approve faculty grants and new-hire grants (other than new-hire grants to executive officers or Board members). In the event of such delegation, the Committee shall establish written guidelines delineating the duties and powers of the subcommittee and the procedures to be followed by the subcommittee. The Committee shall not otherwise delegate its authority to make equity awards, and the Committee's authority shall not be delegated to anyone other than a subcommittee of the Committee (or the Board as a whole, if appropriate), and the Committee's authority shall not be delegated with respect to grants to executive officers or Board members. In no event may any executive

officer be delegated the authority to make equity awards under the Company's stock incentive plans or otherwise.

26. Review of Internal Controls Governing Equity Grant Practices. The Committee shall, with the assistance of the Company's internal auditors and appropriate consultants, review at least annually the Company's internal control testing procedures relating to the processes for (i) compiling and submitting recommendations for equity awards to the Committee and (ii) documenting and communicating the equity awards approved by the Committee. The Committee shall as part of such review recommend such revisions or adjustments to the internal control process as the Committee determines necessary or appropriate to assure the integrity and accuracy of the foregoing processes.

Chair, Meetings, Calendar, Procedures and Resources of the Committee.

Chair. The Chair shall determine the frequency of Committee meetings and the agenda and length of each meeting. The Chair shall also establish such rules and procedures as may from time to time be necessary or appropriate for the conduct of the business of the Committee.

Secretary. The Chair shall appoint an individual to serve as the Secretary at each meeting held by the Committee. It shall be the duty and responsibility of the Secretary to keep full, accurate and complete minutes and records of each meeting and to perform such other functions as may from time to time be assigned to such individual by the Chair or other member of the Committee. The Secretary need not be a member of the Committee or the Board of Directors and shall have no voting rights by virtue of such position and shall not be deemed to be a member of the Committee solely by reason of performing his or her duties as Secretary.

Meetings. The Committee shall meet from time to time as appropriate to perform the functions described above and may also hold special meetings or act by unanimous written consent as the Committee may determine to be appropriate. However, all grants to executive officers (other than newly-hired executive officers) shall be made only at a meeting of the Committee at which a quorum is present, and not by unanimous written consent. Counsel for the Company shall attend any and all meetings of the Committee at which equity awards are to be made to executive officers or non-employee Board members (other than formulaic grants to non-employee Board members) and shall promptly prepare minutes of each such meeting. The Committee may, as it determines to be appropriate, meet in separate executive sessions with other Board members, the CEO or other Company employees, agents or representatives invited by the Committee. A report of each Committee meeting shall be made to the Board at its next regularly-scheduled meeting following the Committee meeting, accompanied by any recommendations to the Board approved by the Committee.

Calendar. The Committee shall, not later than ninety (90) days after the start of each fiscal year, establish the calendar of scheduled meetings for the fiscal year. Such calendar shall set the approximate dates of the meetings at which the annual performance review of the CEO and the other executive officers will be conducted, the meeting dates for discussion and approval for all Code Section 162(m) plans or programs to be in effect for that fiscal year and the date or dates of the meetings at which equity awards are to be discussed and approved for the executive officers. The calendar shall also set the approximate date or dates at which the Committee is to certify the attainment of the established performance goals for the preceding fiscal year, to the extent such certification is required for any plan or program intended to qualify as performance-based compensation under Code Section 162(m).

Procedures. The Committee may establish its own procedures in a manner not inconsistent with this charter, the bylaws or the applicable listing standards for the Company's Class A common stock. The Chair of the Committee or a majority of the Committee members may call meetings of the Committee to be held in person or telephonically. A majority of the authorized number of Committee members shall constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at a meeting at which a quorum is present shall be the act of the Committee, unless in either case a greater number is required by this charter, the bylaws or the listing standards. The Committee shall keep written minutes of its meetings and deliver copies of the minutes to the corporate secretary for inclusion in the corporate records.

Consent Resolutions. No written consent resolution of the Committee shall have an effective date prior to the date on which the last Committee member signs and dates that resolution. A Committee member may indicate his or her consent through electronic transmission to all the other members of the Committee. All executed consent resolutions shall be kept with the written minutes of the Committee's meetings, and copies shall be delivered to the corporate secretary for inclusion in the corporate records.

Committee Access and Resources. The Committee is at all times authorized to have direct, independent access to the other Board members and Company management and other personnel to carry out the Committee's purposes. The Committee is authorized to communicate in confidence with any of these individuals.

Committee Reliance. Each member of the Committee shall be entitled to rely or act, in good faith, upon any report, information or documentation furnished the Committee by any officer or other employee of the Company, the Company's registered independent public accounting firm or any compensation consultant or other professional retained by the Company or the Committee to assist in the formulation and implementation of executive compensation policies and decisions.