



**CHARTER FOR THE COMPENSATION COMMITTEE OF  
THE BOARD OF DIRECTORS OF  
OUTDOOR CHANNEL HOLDINGS, INC.**

**As adopted by the Board of  
Directors on July 15, 2004**



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**INTRODUCTION**

The Board of Directors (the “Board”) of Outdoor Channel Holdings Inc. (the “Company”) is primarily responsible for determining the compensation of the Company’s executive officers. To assist the Board, the Company has established a Compensation Committee (the “Committee”) whose authority and responsibilities are described by this Charter.

**PURPOSE AND RESPONSIBILITIES**

The primary purpose of the Committee is to determine or recommend to the Board the compensation of the Company’s Chief Executive Officer, executive officers, and other selected key employees. In this regard, the Committee shall consider, analyze and assess the compensation packages of the Chief Executive Officer, executive officers and other selected key employees in organizations similar to the Company and determine or recommend to the Board the compensation packages, including bonus structures thereof, for the Chief Executive Officer, the executive officers and other selected key employees of the Company. In addition, the Committee shall recommend general guidelines for compensating other employees of the Company.

The Committee shall also perform such other functions as the Board may delegate to the Committee from time to time.

This Charter defines the Committee’s objectives, the range of its authority, the scope of its activities and its duties and responsibilities. This Charter is intended to give the Board, the Committee and the Company’s management a clear understanding of their respective roles.

**ORGANIZATION**

**Size, Composition and Term of Appointment**

The Committee shall consist of a minimum of three members, with the exact number established by the Board, each of whom shall be determined by the Board to be independent within the applicable rules established by any stock exchange or market on which the Company’s securities may be listed from time to time; provided, however, that if such rules allow an exception to the requirement that each director on the Committee be independent, then one director may be appointed to the Committee pursuant to such exception. The Board of Directors shall appoint the Committee’s Chairperson and members annually. In selecting the members of the Committee, the Board will determine that each member has the appropriate experience, qualifications and interest to carry out his/her duties and responsibilities. Committee members may be removed by the Board at any time in its discretion.

The Committee is authorized to appoint subcommittees comprised of one or more of its members as it deems necessary or appropriate. With respect to decisions made by the Committee (or any applicable subcommittee) intended to satisfy the requirements of Section 162(m) of the Internal Revenue Code, then the Committee (or the applicable subcommittee) making such decisions shall consist of two or more directors who are “outside directors” within the meaning of Section 162(m) of the Internal Revenue Code. With respect to grants, awards or other acquisitions of securities from the Company approved by the Committee (or any applicable subcommittee) which are intended to satisfy the requirements of Rule 16b-3(d)(1) (or any successor rule) promulgated pursuant to the Securities Exchange Act of 1934, then the Committee (or the applicable subcommittee) approving such matters shall consist of two or more directors who are “non-employee directors” as defined in Rule 16(b)-3(b)(3) (or any successor rule).

### **Meetings**

The Committee will meet periodically, and special meetings may be called when circumstances require. The Committee may meet in person or by telephone or video conference call. The Committee shall record and keep minutes of all Committee meetings. The Committee’s policies and procedures shall remain flexible.

### **Quorum and Voting**

A majority of the Committee’s members will constitute a quorum. At any meeting of the Committee, the decision of a majority of the members present and voting will be determinative as to any matter submitted to a vote.

### **Report to the Board**

The Committee will report to, and take direction from, the full Board, and the Board shall be kept informed of its activities on a current basis. The Board will determine annually that the Committee has fulfilled its duties and responsibilities.

### **AUTHORITY**

The Committee derives its authority from the Certificate of Incorporation and Bylaws of the Company. The Committee is authorized to have full and unrestricted access to all personnel, records, operations, properties, and other informational sources of the Company as required to properly discharge its responsibilities.

### **DUTIES AND RESPONSIBILITIES**

The Committee shall:

- Review, determine or recommend to the Board policies regarding the compensation packages needed to attract, retain and motivate executive officers and other selected key employees of the quality required by the Company to enable the Company to be successful.

- Judge where to position the packages offered in the Company relative to other companies and be sensitive to the pay and employment conditions elsewhere in the group.
- Determine or recommend to the Board on an annual basis the salary, bonus, stock options, and other compensation and benefits, direct and indirect, of the Company's Chief Executive Officer and other executive officers. To the extent required by the applicable rules and regulations of any stock exchange or market on which the Company's securities may be listed from time to time, the Company's Chief Executive Officer may not be present during voting or deliberations regarding determinations or recommendations made regarding the compensation of such Chief Executive Officer.
- Except in relation to the Chief Executive Officer and other executive officers of the Company, have power to delegate to the management of the Company the power to award compensation packages within the guidelines approved by the Committee.
- Review on a periodic basis the administration and operation of the Company's executive compensation policies and programs to determine whether they are properly coordinated and establish and periodically review such policies and programs. The Committee shall take steps to modify, or recommend to the entire Board modifications to, any executive compensation policies and programs to the extent deemed appropriate by the Committee.
- The Committee's responsibilities and powers shall extend to stock option, benefit and incentive plans established by the Company, unless otherwise determined by the Board or prohibited by the terms of such plans.
- Establish and periodically review policies in the field of management perquisites.
- Consult the Chairman and/or Chief Executive Officer about their proposals relating to the compensation packages of other executive officers.

The Board itself, and not the Committee, will be responsible for setting the compensation of the independent directors after considering the recommendations of the Committee. The Board may resolve to delegate this responsibility to a committee provided that no director may be a member of a committee that sets his or her own compensation.

### **COMMITTEE REPORT**

As required by the applicable rules, the Committee shall prepare annually a report describing the performance factors on which it relied in determining the compensation of the Company's Chief Executive Officer and other executive officers and, as required, submit such report with the Company's proxy statement. The report will address the issues to be required by the rules of the Securities and Exchange Commission and any stock exchange or market on which the Company's securities may be listed from time to time.

## **OUTSIDE ADVISORS; ADMINISTRATIVE EXPENSES**

The Committee may select, engage and determine funding for independent counsel and other advisors as it deems necessary and appropriate. In addition, the Committee is authorized to approve such ordinary administrative and other expenses as it deems necessary or advisable to carry out its duties.