



NEUSTAR, INC.

COMPENSATION COMMITTEE

CHARTER

1. Members. The Compensation Committee (the "Committee") of the Board of Directors (the "Board") of Neustar Inc. (the "Company") shall consist of at least three (3) members, appointed by the Board of Directors, one of whom shall be designated as Chairman by the Board of Directors. Each member of the Committee shall be an independent director. For purposes hereof, an "independent" director is a director who meets the independence requirements of the New York Stock Exchange for directors. Additionally, members of the Committee must qualify as "non-employee directors" for purposes of Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and as "outside directors" for purposes of Section 162(m) of the Internal Revenue Code.

2. Purpose, Duties, and Responsibilities. The purpose of the Committee is to assist the Board in discharging its responsibilities relating to compensation of the Company's executive officers and produce the annual report on executive compensation for inclusion in the Company's proxy statement. The duties and responsibilities of the Committee include having direct responsibility to:

- (a) Oversee the Company's overall compensation structure, policies and programs, and assess whether the Company's compensation structure establishes appropriate incentives for management and employees.
- (b) Administer and make recommendations to the Board with respect to the Company's incentive-compensation and equity-based compensation plans.
- (c) Review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer ("CEO"), evaluate the CEO's performance in light of those goals and objectives, and recommend the CEO's compensation level to the independent directors based on this evaluation.

- (d) Oversee the evaluation of other executive officers and set their compensation based upon the recommendation of the CEO.
- (e) Approve stock option and other stock incentive awards for executive officers.
- (f) Review and approve the structure of other benefit plans pertaining to executive officers.
- (g) Review and recommend employment and severance arrangements for executive officers, including change-in-control provisions, plans or agreements.
- (h) Approve, amend or modify the terms of any compensation or benefit plan that does not require shareholder approval.
- (i) Monitor compliance by executive officers and directors with the Company's stock ownership guidelines.
- (j) Review the compensation of directors for service on the Board and its committees and recommend changes in compensation to the Board.
- (k) Annually evaluate the performance of the Committee and the adequacy of the Committee's charter and recommend changes to the Board as appropriate.
- (l) Perform such other duties and responsibilities as are consistent with the purpose of the Committee and as the Board or the Committee deems appropriate.

3. Subcommittees. The Committee may delegate any of the foregoing duties and responsibilities to a subcommittee of the Committee consisting of not less than two (2) members of the Committee.

4. Outside advisors. The Compensation Committee will have the authority to retain, at the expense of the Company, such outside counsel, experts, and other advisors as it determines appropriate to assist it in the full performance of its functions.

5. Meetings. The Committee will meet as often as may be deemed necessary or appropriate, in its judgment, either in person or telephonically, and at such times and places as the Committee determines. The majority of the members of the Committee constitutes a quorum. The Committee will report regularly to the full Board with respect to its activities.