

**QUIXOTE CORPORATION  
AMENDED AND RESTATED  
COMPENSATION COMMITTEE CHARTER  
FEBRUARY 17, 2004**

**Mission Statement**

The Compensation Committee (the "Committee") of the Board of Directors of Quixote Corporation (the "Company") shall establish and administer the Company's policies, programs and procedures for compensating its senior management and its Board of Directors. The Committee shall review and determine the Company's executive compensation and employee benefits and such other duties as directed by the Board. In fulfilling its responsibilities, the Committee shall attempt to assure that the principal officers of the Company are compensated fairly and effectively in a manner consistent with the compensation philosophy of the Company, internal equity considerations, competitive practice and the requirements of appropriate regulatory bodies.

**Organization**

- The Committee shall consist of a minimum of three independent members of the Board.
- The members of the Committee shall satisfy the "independence" requirements of Nasdaq, the definition of "outside directors" of IRS Section 162(m), and the "non employee directors" requirements of SEC Rule 16(b)(3).
- Each member shall be free of any relationship that, in the opinion of the Board, would interfere with his individual exercise of independent judgment.
- One member of the Committee shall be elected Chairman by majority vote of the Committee.
- The Committee shall meet at the Committee's discretion, although no less frequently than twice a year. The Committee shall meet at the request of the Board or senior management.

**Roles and Responsibilities**

The Committee's responsibilities shall include:

- Establish and review annually the Company's compensation strategy, policies and programs for the purpose of ensuring that management is rewarded appropriately for its contributions to Company growth and profitability and that the executive compensation strategy supports the Company's objectives and shareholders interests.
- Review and determine annually the individual elements of total compensation for the Chief Executive Officer; report the results of such annual review and determination to the Board; and communicate in the annual Compensation Committee Report to shareholders the factors and criteria on which the Chief

Executive Officer's compensation for the last year was based, including the specific relationship of corporate performance to the Chief Executive Officer's compensation.

- Review annually with the Chief Executive Officer the performance of the executive officers of the Company; determine, after such review, the individual elements of total compensation for the executive officers; report the results of such annual review and determination to the Board; and communicate in the annual Compensation Committee Report to shareholders the specific relationship of prior corporate performance to executive compensation.
  
- Review compensation of the directors of the Company and recommend to the Board adjustments to such compensation.
  
- Review and recommend to the Board incentive compensation plans and equity-based plans for senior management.
  
- Administer, as applicable, the Company's long-term incentive programs in a manner consistent with the terms of the plans as to the following:
  - persons eligible to receive awards;
  - size of awards; and,
  - vesting and other terms of awards.
  
- Grant awards and approve the terms of stock compensation and options for employees of the Company and subsidiaries.
  
- Review the Company's retirement and employee benefit programs and, in consultation with management, approve any amendments or adjustments thereto and recommend to the Board changes subject, where appropriate, to shareholder or Board approval.
  
- In consultation with management, oversee regulatory compliance with respect to compensation matters, including any compensation programs intended to preserve tax deductibility or other tax ramifications, and as may be required, establish performance goals and determine whether performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
  
- Review and approve any proposed employment, retention or severance agreement, plan or program, or material amendment thereto, applicable to any executive officer of the Company.

**Resources and Authority**

The Committee shall have appropriate resources and authority to discharge its responsibilities, including, without limitation, appropriate funding, in such amounts as the Committee deems necessary, to compensate any consultants and any independent advisors retained by the Committee. The Committee will have the sole authority to retain and terminate compensation consultants to assist in the evaluation of compensation and the sole authority to approve the fees and other retention terms of such compensation consultants. The Committee may also retain independent counsel and other independent advisors to assist it in carrying out its responsibilities.

**Annual Review**

At least annually, the Committee will (a) review this Charter with the Board and recommend any changes to the Board and (b) evaluate its own performance against the requirements of this Charter and report the results of this evaluation to the Board. The evaluation will include establishment of the goals and objectives of the Committee for the upcoming year. The Committee will conduct its review and evaluation in such manner as it deems appropriate.