

CERIDIAN

Charter of the Compensation and Human Resources Committee

I. Purpose.

The purpose of the Compensation and Human Resources Committee is to assist the Board of Directors in establishing compensation policies and programs to attract, retain, and motivate the key executives necessary for the Company's current and long-term success. The Committee shall also assist the Board in management development and succession planning, and assess the adequacy of the Company's human resources principles and philosophy. The Committee reports to the Board of Directors of the Company.

II. Composition and Organization.

The Committee shall consist of at least three directors appointed by the Board, one of whom shall be appointed as Chair of the Committee. All members of the Committee shall meet the independence requirements of applicable law, the listing requirements of The New York Stock Exchange, the requirements of an "outside director" for purposes of 162(m) of the Internal Revenue Code of 1986, as amended, and the requirements of a "non-employee director" for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee.

III. Responsibilities and Duties.

A. Executive Compensation. With respect to matters of compensation of executive officers, other executives and key employees of the Company, the Committee shall:

1. a. Review and approve periodically, but no less frequently than annually, the Company's goals and objectives relevant to compensation of the Chief Executive Officer (CEO) and other executive officers, including the balance between short-term compensation and long-term incentives;
- b. Evaluate the performance of the CEO and other executive officers in light of those goals and objectives; and
- c. Determine and approve the compensation level of the CEO and other executive officers based on such evaluations.

In determining incentive compensation, the Committee shall consider, among other factors it deems appropriate from time to time, the Company's performance and operating criteria during such periods as the Committee may deem appropriate, the value of similar incentive awards to persons holding comparable positions at comparable companies and the awards given to executives in prior years. The Chair of the Committee shall be responsible for communicating to the CEO the evaluation of the performance the CEO conducted by the Committee and the level of compensation approved for the CEO.

2. Evaluate the post-service arrangements and benefits of the CEO and other executive officers and their reasonableness in light of practices at comparable companies and any benefits received by the Company in connection with such arrangements.
3. Recommend to the Board the adoption of any equity-based plans and incentive compensation plans that the Committee believes are necessary or desirable.
4. With respect to awards to executive officers under any equity-based plans, determine the executive officers to whom such awards will be granted and make all decisions regarding the timing, pricing, amount and other terms of such awards; with respect to such awards to other executives and key personnel, the Committee shall designate the total number of shares available for such awards and shall delegate to the CEO the authority to determine the recipients and terms of such equity-based awards.
5. Review, assess and approve the benefits program designed and developed for the executive officers of the Company. The scope of this function includes only those retirement, health, and other benefit plans unique to the executive personnel of the Company.
6. Establish and review periodically policies with respect to executive officer perquisites.

B. Executive Resource Planning. With respect to other matters involving executive personnel, the Committee shall review the processes for managing executive succession, diversity and development, and the results of those processes, including:

1. Recommending to the Board the election of executive officers.
2. Reporting and making recommendations to the Board regarding adequacy of executive resource development.

3. Recommending to the Board successors to the CEO and other executive officers.
4. Monitoring the recruitment, development and promotion of candidates expected by the CEO to assume top-tier positions within the next five years as well as other high potential candidates, with an emphasis on candidates from diverse backgrounds.

C. Human Resource Principles and Philosophy. The Committee shall assess the adequacy of the Company's human resource principles and philosophy, including:

1. Issues and changes in strategic human resource policy.
2. The sponsorship of an environment that enables all Company personnel to achieve their full potential.
3. The implementation of the Company's human resource principles and philosophy in the business units of the Company.
4. The human resource values developed to guide the Company and maintain its reputation as an employer.

The Committee shall serve as a resource to the chief human resources officer of the Company for advice and counsel, as requested, on issues of human resource policy and strategy.

D. Other Committee Responsibilities. The Committee shall:

1. Maintain minutes of meetings and periodically report to the Board regarding the status and disposition of the above matters.
2. Produce an annual compensation committee report on executive compensation for inclusion in the Company's annual proxy statement as required by the Securities and Exchange Commission, all in accordance with applicable rules and regulations.
3. Evaluate the Committee's performance on an annual basis and develop criteria for such evaluation.
4. Have the sole authority and responsibility to engage, retain and terminate any outside consultant to assist in determining appropriate compensation levels for the CEO or other executives and to approve the terms of any such engagement and the fees of

any such consultant. In discharging responsibilities, the Committee shall have full access to any relevant records of the Company and may also request that any officer or other employee of the Company, including the Company's chief human resources executive, the Company's outside counsel or any other person meet with any members of, or consultants to, the Committee.

5. Annually review and reassess the adequacy of this charter and recommend any proposed changes to the Nominating and Corporate Governance Committee and Board for approval.
6. Carry out such other duties that may be delegated to it by the Board from time to time.

Adopted by:

Compensation and Human Resources Committee: January 27, 2004.

Nominating and Board Governance Committee: January 27, 2004.

Board of Directors: January 27, 2004.